

ployees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of Guy F. Allen, chief disbursing officer; with amendment (Rept. No. 1648). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 4948. A bill for the relief of Herbert C. Rockwell; without amendment (Rept. No. 1649). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 5587. A bill to amend the Canal Zone Code, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. ELLIOTT:

H. R. 5588. A bill to exempt from the Federal amusement tax all admissions charged to fairs; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 5589. A bill to provide for retirement of certain commissioned officers, commissioned warrant officers, chief warrant officers, warrant officers, and enlisted men of the Army, Navy, Marine Corps, and the Coast Guard thereby providing vacancies for promotions in order to stimulate voluntary enlistments; to the Committee on Military Affairs.

By Mr. McCORMACK:

H. R. 5590. A bill to provide for the uniform administration of efficiency ratings; to the Committee on the Civil Service.

By Mr. DINGLE:

H. R. 5591. A bill to provide for the consolidation of packages of distilled spirits in internal revenue bonded warehouses and the elimination of wine gallons from certain records, entries, and returns covering distilled spirits, and for other purposes; to the Committee on Ways and Means.

By Mr. OUTLAND:

H. R. 5592. A bill to amend certain provisions of the Social Security Act and the Internal Revenue Code in order to bring within the scope thereof industrial operations performed on agricultural commodities and to confine exemptions to farming and related activities; to the Committee on Ways and Means.

By Mr. WHITE:

H. R. 5593. A bill to provide for the monetization of the unobligated silver in the Treasury, to make an inventory of our national mineral resources, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. PETERSON of Florida:

H. R. 5594. A bill to reserve for the use of the United States all deposits of fissionable materials contained in the public lands; to the Committee on the Public Lands.

By Mr. O'KONSKI:

H. Res. 534. Resolution to establish a foreign legion in the American armed forces; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to provide for an increase in the national minimum wage structure; to the Committee on Labor.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to encouraging the resumption of

gold mining; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to proposed reparations to American residents of the Philippines detained during the war in Japanese prison camps; to the Committee on War Claims.

Also, memorial of the Legislature of the State of California, relative to the settlement of a jurisdictional labor dispute between the CIO Food, Tobacco, Agricultural, and Allied Workers' Union of America, and the American Federation of Labor Cannery Workers' Union, affiliated with the International Teamsters' Union; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. DOUGLAS of California:

H. R. 5595. A bill for the relief of Marjorie See; to the Committee on Immigration and Naturalization.

H. R. 5596. A bill for the relief of Edward A. Cupp; to the Committee on Claims.

By Mr. HINSHAW:

H. R. 5597. A bill for the relief of Harry C. Goakes; to the Committee on Claims.

By Mr. LUTHER A. JOHNSON:

H. R. 5598. A bill for the relief of John Camera; to the Committee on Immigration and Naturalization.

By Mr. BUCK:

H. R. 5599. A bill for the relief of Alice Johnson; to the Committee on Claims.

By Mr. POWELL:

H. R. 5600. A bill for the relief of Kenneth Michel; to the Committee on Immigration and Naturalization.

By Mr. RAYFIEL (by request):

H. R. 5601. A bill for the relief of Joseph W. Beyer; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 5602. A bill granting a pension to Henry Combs; to the Committee on Invalid Pensions.

By Mr. SHARP:

H. R. 5603. A bill for the relief of Wilford B. Brown; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1630. By Mr. ARNOLD: Petition of constituents in Princeton, Mo., urging support of the Poage bill, House bill 1742, to authorize appropriation of \$5,000,000 so that Rural Electrification Administrator might prepare comprehensive plans for electrification of rural areas, and to authorize the Reconstruction Finance Corporation to make additional loans to the REA aggregating \$585,000,000 by June 30, 1948; to the Committee on Interstate and Foreign Commerce.

1631. By Mr. LUTHER A. JOHNSON: Petition of Claude King of Mexia, Tex., favoring legislation to require full taxation of earnings of all co-ops; to the Committee on Ways and Means.

1632. By Mr. LANE: Petition of the legislative department, board of aldermen, city of Chelsea, Mass., proposing the establishment of separate United States Employment Service offices, and dividing the United States Employment Service into two separate branches, so that one could be devoted exclusively to serving veterans and staffed by World War II veterans. This petition is submitted in cooperation with the protest of the national headquarters of the American Veterans against the way veterans are served under the existing United States Employment Service set-up in the Department of Labor;

to the Committee on World War Veterans' Legislation.

1633. By Mr. MARTIN of Iowa: Petition of members of the university district of the Iowa State Dental Society, opposing Senate bill 1606 and House bill 4730 and supporting Senate bill 1099 and 190; to the Committee on Interstate and Foreign Commerce.

1634. By Mr. SMITH of Wisconsin: Petition of Walter J. Menden, route 1, box 22, Racine, Wis., in re: Price control, changing corporation taxes, and housing; to the Committee on Banking and Currency.

1635. Also, petition of R. J. Mosher, secretary, local No. 195, Racine, Wis., in re: Price control, confirmation of Edwin Pauley, loan to Britain, Case bill, and James Petrillo; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, FEBRUARY 27, 1946

(Legislative day of Friday, January 18, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, most real when most invisible, ere our wistful yearnings break into faltering words, Thou seest our deepest needs; past sobs and sighs and stammering tongues Thou knowest that as the hart panteth after the water brook so thirst our souls after Thee.

Save us from presumptive pride that feigns an understanding that it does not possess. Open our inner eyes that with all our seeing we may not miss the beauty and strength of a spiritual world more real even than the driven dust beneath our feet or the feathered songsters that wing their trackless way above our heads. Make us fit vessels to receive the glory and the good Thou desirest to give to us, and through us to all the waste places of this stricken earth. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, February 26, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 26, 1946, the President had approved and signed the act (S. 1618) to exempt the Navy Department from statutory prohibitions against the employment of noncitizens, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 136) changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth

anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4652) to provide credit for past service to substitute employees of the postal service when appointed to regular positions, to extend annual and sick leave benefits to war service indefinite substitute employees, to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

- H. R. 854. An act for the relief of Isabel Carlson;
 H. R. 1315. An act for the relief of B. Pendino;
 H. R. 1464. An act for the relief of Leonard Hutchings;
 H. R. 1489. An act for the relief of Harold B. Alden and Walter E. Strohm;
 H. R. 1848. An act for the relief of Max Hirsch;
 H. R. 2168. An act for the relief of Charles Zucker;
 H. R. 2171. An act for the relief of Solomon Schtielman;
 H. R. 2240. An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, and for other purposes;
 H. R. 2270. An act for the relief of Harry C. Westover;
 H. R. 2289. An act for the relief of Arnold Mecham;
 H. R. 2393. An act for the relief of Elsie Peter;
 H. R. 2452. An act for the relief of Sam Kalak;
 H. R. 2661. An act for the relief of W. D. Jones and Ethel S. Jones;
 H. R. 2724. An act for the relief of the legal guardian of Forest Eldon Powell;
 H. R. 2728. An act for the relief of R. H. Sindle;
 H. R. 2769. An act for the relief of C. Frank James;
 H. R. 2963. An act for the relief of William Phillips;
 H. R. 2974. An act for the relief of the estate of Bobby Messick;
 H. R. 3028. An act to amend the act of August 17, 1937, as amended; relating to the establishment of the Cape Hatteras National Seashore Recreational Area in the State of North Carolina;
 H. R. 3046. An act for the relief of Thomas A. Butler;
 H. R. 3444. An act to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system;
 H. R. 3514. An act for the relief of the legal guardian of Olga Stanik, a minor;
 H. R. 3614. An act to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;
 H. R. 3657. An act to ratify and confirm Act 32 of the Session Laws of Hawaii, 1945;
 H. R. 3730. An act granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.;
 H. R. 3784. An act for the relief of C. H. Brumfield;

H. R. 3940. An act to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y.," approved April 2, 1941;

H. R. 4249. An act for the relief of Lucy Delgado and Irma M. Delgado;

H. R. 4652. An act to provide credit for past service to substitute employees of the postal service when appointed to regular positions; to extend annual and sick leave benefits to war service indefinite substitute employees; to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces; and for other purposes; and

S. J. Res. 136. Joint resolution changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

CALL OF THE ROLL

Mr. VANDENBERG obtained the floor. Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hart	O'Mahoney
Austin	Hatch	Overton
Bailey	Hawkes	Pepper
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Barkley	Hill	Revercomb
Bilbo	Hoey	Robertson
Brewster	Huffman	Russell
Bridges	Johnson, Colo.	Saltonstall
Briggs	Johnston, S. C.	Shipstead
Buck	Kilgore	Smith
Bushfield	Knowland	Stanfill
Butler	La Follette	Stewart
Byrd	Langer	Taft
Capper	McCarran	Thomas, Okla.
Carville	McClellan	Thomas, Utah
Chavez	McFarland	Tobey
Cordon	McKellar	Tunnell
Donnell	McMahon	Tydings
Downey	Magnuson	Vandenberg
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
George	Mitchell	White
Gerry	Moore	Wiley
Gossett	Morse	Willis
Green	Murdoch	Wilson
Gurney	Myers	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

REPORT ON UNITED NATIONS MEETING IN LONDON

Mr. VANDENBERG. Mr. President, I am presenting a brief report to my Senate colleagues regarding the recent meeting of the United Nations in London, where, thanks to your generous confirmation of the President's appointment, I sat as an American delegate in the first General Assembly.

I had expected to postpone this statement until the return of the Senate's other representative at London, the distinguished chairman of the Senate Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY]. But events seem to recommend these observations now. The Senator from Texas will be back in the near future. I compliment him in the highest possible terms for his sterling services in London. He filled important and often difficult assignments with wisdom, vigor, tenacity, and success. He was distinctly a credit to the Senate, to his country, and to the great cause which he embraced with typical earnestness and zeal.

Mr. President, I say frankly, at the outset, that I return from London with mixed emotions. I return with no illusions that automatic peace awaits the world just because the machinery of the United Nations is now in gear. But I return also with an over-riding conviction, even more emphatic than before, that the world's only hope of organized peace and security in inseparably linked with the evolution and the destiny of this United Nations Organization. I return in the convinced belief that the more complex or ominous the world's international relations may become, in that same degree the greater becomes the critical need that the peace-loving peoples of the earth shall strive to make this enterprise succeed. I return in the belief that it can succeed unless Russia, Britain, and the United States, individually or collectively, make it impossible.

I can share your disappointments over some phases of the London record. I can share your anxieties over some of its disturbing trends. I can share your desires that the San Francisco Charter should be improved in certain aspects. I intend to speak frankly about some of these things. But I cannot—and I do not—share the melancholy pessimism, heard in some quarters, that the United Nations, as a result of this experience, will be unable to cope with world realities as disclosed in current history. It would be silly to ignore the hazards. It would be sillier to ignore vindicated hopes. The amazing thing is not that at London there were areas of disagreement but that the areas of agreement were so vast and so significant.

In my opinion, Mr. President, I repeat—because it is so dreadfully important—that the United Nations must be made to succeed if we are to avoid unspeakable catastrophe in this atomic age when decisive war may be waged in minutes instead of years and when the first casualty list may be the last. To those who are already earnestly suggesting substitutes, I prayerfully suggest that if the United Nations compact, as a starter, cannot command the agreement and cooperation essential to success, then any more ambitious program would obviously multiply these obstacles. Any less ambitious program would die of international pernicious anemia. This Charter clearly has its imperfections. We must be constantly alert to opportunities for its improvement. It is helpful that the earnest friends of peace should press these discussions. But it seems clear to me that we must first learn to live with what we have. It seems clear to me that our challenge is to make the United Nations work. It is particularly a challenge to the so-called five great powers. More particularly it is a challenge to three of them. Still more particularly, it is an individual challenge to the Union of Soviet Socialist Republics, upon the one hand, and to our own United States, upon the other, as I shall presently undertake to demonstrate.

Now, Mr. President, let us look at London. In 37 days the United Nations turned a blueprint into a going concern. It turned an ideal into a reality. On January 10, 1946, we had only a pious dream. On February 16, 1946, we had organized, in working detail, the complete machinery for the General Assembly, for the Security Council, for the Court of International Justice, for the Social and Economic Council, and for the functioning of every instrument of peace which the Senate envisioned when it underwrote this dream last July with but two dissenting votes. On January 10 we had a scrap of paper. In 37 days we gave it life. The supreme need, in the name of flesh and blood and human hearts and hopes, is that it shall not return to the status of a scrap of paper.

There was sharp controversy and competition in some of these organizational decisions. But all of them were accepted in good spirit by all concerned. There was not a suspicion of insincerity or sabotage. In other words, the original purpose—and what was intended to be the exclusive purpose—of this first General Assembly was carried out with complete comity and with significant success. There was healthy rivalry. But there was equally healthy agreement. In athletic parlance, the team was learning to play team ball. The temporary quarters of the United Nations is already rising in the United States. The machinery is all in gear. Indeed they were 37 momentous days.

All this involved great labor and the composition of many differing points of view. For example, I was chairman of the subcommittee which dealt with administration and with budgets. Starting from zero, we had to create the frame-work for a tremendous institution. Fifty-one nations, spanning the

gamut of race, color, language, and tradition, had to concur. They did—with ultimate unanimity. I venture to ask, with great respect, how long, and with what travail, it would have taken our own Congress to complete a comparable task. Obviously it was possible only with the highest degree of cooperation; with the best of mutual good will; and with a common dedication to a common purpose. And it is highly significant that there were no exceptions to this rule.

I should say, at this point, that UNO will be financed from a so-called working capital fund of \$25,000,000; and that its provisional budget for 1946, including the Court at The Hague, is \$21,500,000. Our provisional share is 25 percent. In other words, the United States will spend for peace, on this account far less per annum than it spent per hour on war.

So, Mr. President, let us put this first big entry in the credit ledger. When we look at London and at the first General Assembly of the United Nations, let us remember that its organizational phase was a phenomenal success and a vigorous omen of hope for the tolerant cooperations which are the lifeblood of this adventure in behalf of the collective security for which men and women pray, in a hundred different tongues, at the war-scarred hearthstones of the world. Again in athletic parlance, let us anticipate that when the team has played together a little longer it will be invincible.

Let us remember some other things about this first General Assembly.

Let us remember that it initiated the joint studies which should lead to the international control of atomic energy, on a basis requiring adequate and dependable security and inspection arrangements as a mandate prerequisite to any disclosures of any nature at any time. This is the way to save civilization from the use of atomic energy as a lethal curse to humankind.

Let us remember that this General Assembly—this town meeting of the world—sounded reveille against the famine which threatens countless peoples with pitiful extermination. Of course, the call to service is not itself alone enough. Action must follow words. But it is heartening to find the world thus equipped with a new and powerful weapon with which to attack the social and economic, as well as the political, ills of the human family everywhere.

Let us remember that this General Assembly—this vocal conscience of the earth—unanimously offered new hope to dependent peoples everywhere through the expression of our mutual purpose to encourage their self-government.

Let us remember that it pledged itself to encourage a world-wide free press through instrumentalities to be created at its next session in September. Blackouts and iron curtains are not the insignia of liberty nor the trade-marks of peace.

Let us remember that this General Assembly encouraged the hopes of war refugees—the pathetic derelicts of recent conflict—by refusing, on a decisive roll call, to sanction their involuntary repatriation.

Let us remember, Mr. President, that this General Assembly has now put itself

in full position to proceed hereafter to implement dynamic article XIV of the Charter. This means that it can recommend the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or to infringe upon equal rights and self-determination of peoples.

All this, and more, the General Assembly did in 37 days. Let us put this entry in the credit ledger.

No; it is not the whole story. I shall come to that in a moment. But it is enough of the story to hearten men of good will to refuse any defeatism in their attitudes and to carry on. We have the greatest encouragements to believe that the United Nations can gather strength and moral power to meet the major issues which may threaten international peace and security, or, as an alternative, to organize the conscience of the world against any aggressor who defies these precepts.

Ah, yes, you say; but how about the Security Council? Well, Mr. President, let us look at the Security Council. By all means, let us look at the Security Council. First, let us remember that the Security Council was put to unexpected test just 6 days after it came into being—before it had any of the Charter instruments intended for its use—before it even had any rules for its own procedure. That was like expecting a motor car to run on one wheel—and yet it did. Or, changing the metaphor, it was like asking General Eisenhower to invade the Continent 20 minutes after we declared war on Germany. It took 4 years to integrate the machine that won the war. I respectfully submit to those who are impatient with the London story that we are entitled to at least a few months of grace in the winning of a lasting peace. Even if it took as long as the winning of the war, still it would be a miracle, in the light of man's dismal failures for 1,900 years to follow in the footsteps of the Prince of Peace. Or, again changing the metaphor, I would suggest a study of our own swaddling days and of the time and travail involved in accommodating ourselves to our own Constitution. The truth is, Mr. President, that the brief, preliminary record made by the Security Council is, under the circumstances, much more notable for what it did than for what it did not do.

Four controversies, each involving the presence of foreign troops in lands other than their own, were submitted to the Security Council, upon which sit Britain, China, France, Russia, the United States, Egypt, Mexico, Netherlands, Australia, Brazil, and Poland. In each instance, after full hearing, the four controversies were left, on conciliatory American initiative, to further negotiations between the nations in direct concern. But that qualifying phrase, "after full hearing," is of paramount importance.

Mind you, these were the raw materials out of which wars have sprung in other days. But here the contestants were not meeting on a battlefield. They were meeting at the council table, in the white light of full publicity, in the presence of their peers, under the searching eyes of a watching world and under the impulse of a solemn pledge to

keep the peace. Here, words which would have been fighting words in other days were the substitutes for guns and swords. Here the frankest imaginable discussions were taking place, eye to eye, cheek by jowl. Here the contestants shook hands at the termination of the jousts. Here there was a clear verdict rendered on the facts by the member nations sitting in their judgment seats, as each representative spoke into the record. It was the "open diplomacy openly arrived at" of which men heretofore have dreamed in vain. It was an epoch in the hopes of humankind. Let us put that in the credit ledger.

Both World War I and World War II have been chaptered with secret agreements; and the serial postscripts still continue to appear. This new fraternity of nations may lay claims to high values, at least in its emphasis upon daylight diplomacy.

To be sure, the ultimate disposition of each case, after full hearing, was a reversion to direct negotiation between the parties involved, instead of some affirmative act of penalty or of enforced restraint. This may have been a disappointment to some of our more impatient direct-actionists who would like a god of peace as militant and as relentless as the gods of war. But I remind you that the United Nations Charter does not contemplate the techniques of the meat-axe. It is not built to hasten sanctions and the use of force. It is built to prevent, if possible, the use of sanctions and of force. It is built to stop war; not to make it. It requires the exhaustion of all possibilities of direct negotiation, and of inquiry, and of mediation, and of conciliation, and of arbitration, and of judicial settlement before we turn to grimmer disciplines.

And this, Mr. President, is desperately important. I venture to assert that the renewal of direct negotiations in the four instant cases, after these full hearings, is calculated to be quite a different thing than it was before. Now these negotiations will proceed in the presence of the necessity for an ultimate accounting not only to the Security Council but also to the critical opinions of mankind. Now the record, be it good or ill, defies distortion in the future conduct of these events. In most instances, I dare to believe there will be adequate results. By way of example, I point only to the fact that the Soviet Union immediately opened negotiations with Iran—after months of previous refusal to confer at all—and that, in the midst of the Indonesian discussion the Netherlands announced new plans for an autonomous Indonesian Commonwealth. This, too, goes on the credit ledger.

I say again that this is the wholesome pattern of a great hope—even as it also has its danger spots. I do not intend to deny the latter, as will presently appear. But neither do I intend to ignore the former, lest we be treacherously misled against our own best destiny. The price of failure is too great.

By way of concrete illustration, Mr. President, let me submit a blow-by-blow account of the final contest before the Security Council. Within it are found all of our hopes and fears—all of the

credits and the liabilities—all of the encouragements and all of the warnings for the future.

Lebanon and Syria were asking the simultaneous withdrawal of French and British troops. Just linger for a moment, Senators, upon this unprecedented scene. Two of the newest and smallest and humblest of governments in the world were complaining against two of the Five Great Powers—against two of the permanent members of the Security Council. The difference in relative power and authority could scarcely approach greater extremes. Yet little Lebanon and little Syria were invited to temporary seats at the council table, pursuant to the mandate of the Charter. There they sat, with the mightiest of earth, to have their untrammelled day in this court of world opinion. It was indeed the triumph of an ideal.

They spoke without limitation and without curb. French and British troops had been necessary in Lebanon and Syria once upon a time, particularly the British, who had entered upon invitation, and who were staying by request until such time as both the British and French could retire together. Lebanon and Syria testified that the need for these foreign troops was done, but that negotiations for their withdrawal had been unsuccessful. Frankly, without rancor, they laid their facts upon the table and petitioned for relief. At long last here, indeed, was at least an approach to the parliament of man. Another large entry on the credit ledger.

When Lebanon and Syria had finished, sturdy Ernest Bevin, Foreign Minister of the United Kingdom, promptly announced that he would be willing and glad to withdraw the British troops at once. Monsieur Bidault, the able Foreign Minister for France, immediately followed with a statement in kind. He said that there were technical arrangements to be concluded; but that he would gladly press their speediest possible negotiation. The controversy gave promise of amicable composition at one sitting of the Council. Our own distinguished Ambassador Stettinius, speaking for the United States, offered a resolution at this point which took note of the record; asserted the Council's general belief that there should be no unwanted troops on foreign soil in time of peace; expressed the Council's confidence that the case could be safely remanded to the parties in interest for final negotiation; and asked that the Council be kept advised of these developments. It appeared to be a prompt and happy and effective composition of the incident. The dove of peace flew in the window. But unfortunately, quickly it flew out again.

At this point the brilliant Soviet Commissar, Vishinsky, intervened. He wanted no such easy peace. He was not satisfied, he said, thus to let the matter rest. Long and bitterly he indicted the action particularly of France in Lebanon and Syria. Instead of being closed, the incident then blazed into two more days of intense and futile debate. He offered amendments to the American resolution which both France and Britain—and most of the Council—interpreted as stinging and unwarranted rebukes. This

was not oil on troubled waters. It was salt in reopened wounds. The chairman of the Security Council finally called for a vote. Mr. Vishinsky said he, too, was ready, provided the vote was taken under the provisions of the Charter prohibiting the participation of members of the Council who were parties to a dispute which threatens international peace and security. Both Bevin and Bidault hotly protested that this was not a "dispute threatening international peace and security"; that, therefore, they were entitled to vote and that they could not accept the Vishinsky implication. But they then announced that, upon their own responsibility, they would voluntarily abstain.

Vishinsky's amendment was voted down with only its author on its side. The American resolution was then given the seven affirmative votes required by the Charter. The chairman announced that it was carried. But he was wrong. The Charter also required that these seven votes had to include the concurring votes of the permanent members of the Council. This is the famous veto of which so much has been heard. Mr. Vishinsky promptly challenged the chairman's announcement. He was wholly within his rights, as, indeed, he was from start to finish. The resolution was lost by veto. That left little Lebanon and little Syria just where they started. But then came the thrilling climax. Bevin, for Britain, and Bidault, for France, magnificently asserted that they would voluntarily accept the terms of the resolution and abide its terms precisely as though it were the law of the Council. Put that high up on the credit ledger.

Mr. President, I confess that I was proud of western democracy that night. And the life of the United Nations took on new assurance and new expectancy, in the pattern of their attitudes. On the other hand, I trust I am not unfair in also confessing that it seemed to me the distinguished Soviet delegate—one of the ablest statesmen I have even seen in action—seemed to be less interested in helping Lebanon and Syria than he was in baiting France and Britain—less interested in peace at this point than he was in friction. I am certain it posed the same question in all our minds which I am now finding almost every day, in one form or another, in every newspaper I read—"What is Russia up to now?" It is, of course, the supreme conundrum of our time. We ask it in Manchuria. We ask it in eastern Europe and the Dardanelles. We ask it in Italy where Russia, speaking for Yugoslavia, has already initiated attention to the Polish legions. We ask it in Iran. We ask it in Tripolitania. We ask it in the Baltic and the Balkans. We ask it in Poland. We ask it in the capital of Canada. We ask it in Japan. We ask it sometimes even in connection with events in our own United States. "What is Russia up to now?" It is little wonder that we asked it at London. It is less wonder that the answer—at London and everywhere else—has a vital bearing on the destiny of the United Nations. And, Mr. President, it is a question which must be met and answered before it is too late.

It would be entirely futile to blink the fact that two great rival ideologies—democracy in the west and communism in the east—here, find themselves face to face with the desperate need for mutual understanding in finding common ground upon which to strive for peace for both. In the final analysis this means that the two greatest spokesmen for these rival ideologies—Soviet Russia and the United States—find themselves face to face with this same need for mutual understanding, both in and out of the United Nations. Indeed, if this does not oversimplify the problem, it might even be said that the future of the United Nations itself is wrapped up in this equation.

If this be so, Mr. President, I assert my own belief that we can live together in reasonable harmony if the United States speaks as plainly upon all occasions as Russia does; if the United States just as vigorously sustains its own purposes and its ideals upon all occasions as Russia does; if we abandon the miserable fiction, often encouraged by our own fellow travelers, that we somehow jeopardize the peace if our candor is as firm as Russia's always is; and if we assume a moral leadership which we have too frequently allowed to lapse. The situation calls for patience and good will; it does not call for vacillation.

Let me make it wholly clear that I do not complain because Russia speaks—indeed, Mr. Vishinsky probably spoke in this Security Council more than the spokesmen of all the other powers combined. I am glad she speaks. She ought to speak. That is what this forum is for. But it is for others, too, Mr. President—just as Mr. Bevin used it upon more than one eloquent and courageous occasion. It is, I repeat, for others, too. All should feel an equal freedom, an equal duty, and an equivalent responsibility. The governments of the world suddenly find themselves in the presence of a new technique in international relations. It is in this forum of the United Nations where the most dominant of all debates and decisions are hereafter calculated to occur. It would be impossible to over-emphasize the importance of our own role and our own performance in such epochal events, and the need for positive foreign policies as our consistent guide therein.

Speaking in New York last week at a celebration in honor of the great Red Army which Marshal Stalin certifies will be kept at a progressive peak, our new American Ambassador-designate to Moscow, Lt. Gen. Walter Bedell Smith, said: "It is imperative that our national temperatures remain at normal." I agree. He said that "both nations want nothing so much as peace and security." I not only agree; but, in addition, if what still bothers Russia is really a security fear against resurgent aggression, I would renew my offer of 1 year ago for a direct treaty of mutual defense, under the United Nations, in the event an aggressor axis ever rises again.

General Smith said that "the United States is willing to go a long way in meeting its international associates, but that it must be watchful of its own vital interests and hold to the line beyond

which compromise cannot go." Again I heartily concur. There is a line beyond which compromise cannot go; even if we have previously crossed that line under the pressures of the exigencies of war, we cannot cross it again. But how can we expect our alien friends to know where that line is unless we reestablish the habit of saying only what we mean and meaning every word we say? I have the deep conviction that this way is the dependable way to permanent peace and concord between us, with its inevitable effect upon the United Nations. Indeed, I have the feeling it is the only way. I have the feeling it is the best way to win Soviet respect and Soviet trust. Respect must precede trust; and both are indispensable to peace.

General Smith said that "America and the Union of Soviet Socialist Republics, given honest and frankness on both sides, can get along together in the future just as well as they have for almost 150 years, in spite of the fact that our Governments and our economic systems have been quite different." Again I associate myself with that sentiment. But the honesty and frankness must be mutual.

Sometimes it is a useful, albeit painful, thing to search our own souls in critical hours like these. Was Sumner Welles, the late President Roosevelt's long-time Under Secretary of State, right in a recent statement from which I quote:

If the United States is to exercise any potent influence in promoting world peace and in establishing a better international order, other nations must be confident that this Government will abide by our professions. American foreign policy must possess the all-important quality of dependability. . . . The United States continues to possess the influence in world affairs which is derived from its potential military might and from its material resources. But the moral influence which it possessed during the war years because of the belief that this Government was determined to support those principles which are indispensable to be established is rapidly vanishing. . . . It would be better far to refrain from giving assurances, however noble they may be, than to fail to carry them out. For the United States cannot exercise any effective leadership until all nations know that it means what it says.

Mr. President, this sort of an analysis does not detract for an instant from the notably loyal and richly helpful record which the United States has made to the foundations of the United Nations. I have been privileged to be so placed that I could see these great works of ours at first hand. We have a right to be eternally proud of America's part in launching this new argosy of peace upon the seas of time. The startling fact at London—I cannot repeat too often—is not that it sometimes trembled in the gale but rather that it so stanchly weathered all the storms. But, sir, we would be dubious mariners if we did not look back upon this pioneering journey to assess the dangers that developed and to put up warning signals for journeys yet to come.

Therefore, in addition to what I have already said, I must add two further admonitions.

I confess that in this first meeting of the United Nations I missed the uplifting and sustaining zeals for a great, crusading, moral cause which seemed to imbue the earlier Charter sessions at San Francisco. Perhaps it was because the agenda was so largely confined to the humdrum routine of organizational details. Perhaps it was the burden of anxiety over the misgivings that are inevitable in launching a peace project which never yet has succeeded in the history of civilization; or, on the other hand, perhaps it was the accumulated tiredness which dampens ardor and easily surrenders to the expedient notion that "all's well." Perhaps it was because, in the aftermath of war, we confront too many grim realities that are utterly at odds with the precepts of justice which we presume to defend. In any event, and whatever the cause, we are on notice that the peoples of the earth must never cease to evangelize this struggle for peace if it shall reach full flower.

Again, Mr. President, I sensed at London what seemed to be too great a tendency to relapse into power politics, in greater or less degree, and, as someone has said, to use the United Nations as a self-serving tribune rather than as a tribunal. It will require constant, consistent, courageous guidance to keep the United Nations within the main channel of its obligations—and here again is a clear call to America always to act in its traditional character for liberty and justice, and not to lapse, as I fear we may have done on some occasions.

Mr. President, I have endeavored faithfully to report both the credits and the debits on the United Nations' ledgers as a result of the first meeting of the General Assembly. I fear it has been ily and inadequately done. But I want to leave the positive and emphatic conclusion that the credits utterly preponderate with a heavy, a significant, a wholesome and an encouraging balance.

Those, sir, were 37 vital days in London. They are freighted with hope—solidly justified hope—in respect to collective security in this atomic age. In such an age there can be no security which is not collective. With unwavering fidelity we must carry on the great adventure. If there be any failure, let not the blood be upon our hands nor the tragedy upon our souls.

The United States has no ulterior designs against any of its neighbors anywhere on earth. We can speak with the extraordinary power inherent in this unselfishness. We need but one rule. What is right? Where is justice? There let America take her stand. [Applause, Senators rising.]

Mr. WILEY. Mr. President, when our distinguished associate who has just addressed the Senate, the Senator from Michigan [Mr. VANDENBERG], left for Europe, it was my privilege to say a few words on the floor of the Senate about his voyage into a far country. At that time it was the wish and the prayer of all his associates in the Senate that God would speed him, and give him the health and the strength and the vision to carry through.

History is a record of great men. We have heard a great American report to

us on one of the great events in world history. He has done a great job. I wish that every person in America could read his address. I think it will rank as one of the great addresses of all time delivered in this Chamber.

The Senator from Michigan has done several things which are of utmost importance. He has brought to America a great hope. He has shown that the meeting in London was not a failure, as so many have said. He has demonstrated to us clearly, by a factual recital of what took place there, that to a large extent judgment, common sense, and reason were in the saddle in London. I have stated that history is the record of great men, and I believe that the record here established indicates that great men were in action in London.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROTECTION WORK BETWEEN THE YUMA PROJECT AND BOULDER DAM

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the laws authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation (with an accompanying paper); to the Committee on Irrigation and Reclamation.

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT OF 1940

A letter from the Administrator of the Veterans' Administration, transmitting a draft of proposed legislation to amend certain provisions of the National Service Life Insurance Act of 1940, as amended (with an accompanying paper); to the Committee on Finance.

REPORT OF UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

A letter from the Secretary of the United States Employees' Compensation Commission, transmitting, pursuant to law, the annual report of that Commission for the fiscal year ended June 30, 1945 (with an accompanying report); to the Committee on Education and Labor.

STATISTICS OF NATURAL GAS COMPANIES

A letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, the 1944 edition of Statistics of Natural Gas Companies (with an accompanying report); to the Committee on Interstate Commerce.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following petitions, and so forth, which were referred, as indicated:

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 8

"Joint resolution relative to encouraging the resumption of gold mining

"Whereas the price of gold being fixed at \$35 per ounce, the gold miner has been foreclosed from any relief through an advance in the price of his product; and

"Whereas the cost of operation of marginal gold miners has so greatly increased since the imposition of WPB order L-203, that gold mines operating profitably under prewar costs would show a loss if reopened and operated under present costs: Therefore be it

"Resolved, by the Senate and Assembly of the State of California, jointly, That the Leg-

islature of the State of California respectfully memorializes the Congress of the United States to provide relief for owners of gold mines by providing a subsidy on newly mined gold in the United States, thereby permitting and encouraging the resumption of gold mining; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President of the United States, to the President pro tempore of the Senate, and the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Claims:

"Senate Joint Resolution 3

"Joint resolution relative to proposed reparations to American residents of the Philippines detained during the war in Japanese prison camps, and memorializing Congress in regard thereto

"Whereas numerous American residents of the Philippines were detained for years in Japanese prison camps and upon their return to the United States have been given only emergency relief from Federal funds disbursed by local welfare agencies; and

"Whereas a great many of these American residents who were prisoners of the Japanese in the Philippines have been returned to the United States through California ports and a great many of them have remained in the State of California for the purpose of regaining their health: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That Congress is respectfully memorialized to provide for the payment of reparations to American civilians detained in Japanese prison camps during the war, the latter reparations to compensate fully for all injuries sustained by reason of such detention in Japanese prison camps, whether as a result of loss of time, of health, of contacts, of technical or professional skill, or otherwise; and, be it further

"Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the Interior."

Two joint resolutions of the Legislature of the State of California; to the Committee on Commerce:

"Assembly Joint Resolution 16

"Joint resolution relative to memorializing the Congress of the United States to provide for a survey of the fisheries of the Pacific Ocean

"Whereas observations during the war in the Pacific have disclosed that great schools of tuna and other valuable food fish abound in the waters comprising a broad belt on both sides of the equator; and

"Whereas a comprehensive survey of the fish resources of the Pacific should be undertaken in order to determine the nature and extent thereof, the possibilities of conducting large-scale commercial fishing operations from islands under the control of the United States by nationals of the United States, and the possibilities of conducting such operations from islands under the control of other nations; and

"Whereas there is pending in the Congress of the United States a bill designated H. R. 3230 which provides for a survey of the fishing industry of the Territory of Hawaii and of the adjacent waters, primarily for the benefit of the residents of Hawaii; and

"Whereas the development of the food fish resources of the Pacific will add tremendously to the food supply of the Nation and the by-

products thereof will augment the supply of proteins available to agriculture; and

"Whereas modern methods of taking and handling fish permit the operation of fishing fleets in the far reaches of the Pacific and once it has been determined that the fish are there in quantities sufficient to warrant commercial fishing operations private enterprise will assure that the resources will be utilized: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California hereby respectfully memorializes the Congress of the United States to take such steps as may be necessary to cause to be made a comprehensive survey of the fish resources of the Pacific Ocean as provided in H. R. 3230, the extent to which and the methods by which commercial fishing may be encouraged and developed to the maximum level consistent with proper conservation, and the means of controlling such fisheries by treaty or otherwise; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit a copy of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Chief of Fish and Wildlife Service of the Department of the Interior, and to each Senator and Representative in the Congress of the United States from California."

"Assembly Joint Resolution 17

"Joint resolution relative to the development of tuna fishing in the Pacific Ocean

"Whereas observations during the war in the Pacific have disclosed that great schools of tuna exist throughout the tropical waters of that ocean and constitute a virtually untapped natural resource of immense value; and

"Whereas a committee of California residents comprising eminent marine biologists and practical businessmen engaged in large-scale commercial fishing operations has studied the matter and has reported that the development of a large tuna fishing industry in the Pacific would be feasible if bases of operation could be established on islands in that ocean; and

"Whereas the United States now controls only a portion of the islands upon which the proposed tuna-fishing fleets would have to be based; and

"Whereas in order to conduct the fishing operations successfully it will be necessary to arrange for bases on islands under the sovereignty of Great Britain, France, the Netherlands, Australia, and the Philippine Commonwealth; and

"Whereas such bases will be necessary in order to provide for replenishment of water and supplies, for securing of bait, for facilities for repair and for the anchoring of large mother ships and of individual tuna clipper; and

"Whereas the United States now controls a great number of islands formerly under Japanese mandate, and in order to cover the entire area bases would be required at the Marquesas, Tuomotus, the Society Islands, the Tubais, the Tongas, the Fijis, New Caledonia and dependencies, the New Hebrides, the Solomons, New Guinea, the Gilberts, the Elliott Islands, and the Philippines; and

"Whereas in view of the present relations between the victorious powers the time is propitious for the United States to secure from the foreign nations involved the rights required to use the Pacific islands under their sovereignty in order to establish a tuna fishing industry to be conducted by nationals of the United States: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California hereby respectfully memorializes and requests that

the President and Secretary of State of the United States negotiate such treaties or other arrangements whereby the bases referred to in this resolution may be acquired, and that the Senate of the United States ratify such treaties if and when made; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President of the United States, the Secretary of State of the United States, the President pro tempore of the Senate and to each Senator and Representative in the Congress of the United States from California."

A joint resolution of the Legislature of the State of California; to the Committee on Education and Labor:

"Assembly Joint Resolution 18"

"Joint resolution relative to memorializing Congress to provide for an increase in the national minimum-wage structure"

"Whereas legislation is pending before the United States Congress to increase the minimum wage prescribed under the Fair Labor Standards Act of 1938; and

"Whereas since 1938 the purchasing power of the dollar has declined sharply along with an increase in prices and cost of living, all of which has resulted in an actual decrease in the amount of real wages represented by the minimum wage of the Fair Labor Standards Act; and

"Whereas the need of protecting the national purchasing power and maintaining a minimum standard of living necessary for the health, efficiency, and well-being of wage earners may be at least partially achieved by increasing the present minimum wage; and

"Whereas in view of the demonstrated capacity of our country to produce far beyond prewar levels and the need of attaining an economy of full production and abundance, the raising of the minimum standard is a reasonable beginning to this ultimate goal: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Congress of the United States is respectfully memorialized to enact legislation at the earliest possible date to provide for an increase in the national minimum-wage structure; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Military Affairs:

"Assembly Joint Resolution 22"

"Joint resolution memorializing Congress to make farm machinery, implements, and housing available"

"Whereas it appears that this Nation is facing a serious shortage in its food supply by reason of the obligation it has accepted to feed a large portion of the population of this world; and

"Whereas many veterans have returned to the farm and have acquired or leased land for farming, but have been unable to procure machinery, implements, and housing for farm purposes; and

"Whereas it is reported that the United States is the owner of a vast amount of surplus machinery, equipment, and housing facilities suitable for use in farming operations; and

"Whereas many farmers other than veterans are now seriously hindered in their farm operations by shortages of machinery, implements, and housing facilities: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress and administrators of the United States Government are requested to take such action as may be necessary to make such surplus machinery, equipment, and housing facilities immediately available to farmers generally for the purpose of producing the world's food supply; and be it further

"Resolved, That in such distribution preference shall be given to veterans; and be it further

"Resolved, That the chief clerk of the assembly shall transmit copies of this resolution to the President of the United States, the Speaker of the House of Representatives, President pro tempore of the Senate, the Honorable Clinton Anderson, Secretary of Agriculture, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Public Lands and Surveys:

"Senate Joint Resolution 9"

"Joint resolution relative to establishment of national parks"

"Whereas there are several national parks within the State of California embracing large areas of forest land, and providing recreational facilities for many thousands of tourists; and

"Whereas certain of these national parks could be further developed to accommodate more people, and many forested areas could be made accessible which are now inaccessible to motorists; and

"Whereas the establishment of new national parks in this State is not necessary in those areas containing redwood forests; and

"Whereas the State has established and is maintaining State parks in various parts of California, including the Redwood Highway area, which includes a large portion of Humboldt, Mendocino, and Del Norte Counties; and

"Whereas the creation of new national parks in counties which depend to a large measure on the lumber and sawmill industry would remove areas of valuable land from the county tax rolls and reduce the revenues of such counties, and tend to impair their financial structure: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States that no more national parks be established in the forested areas of California, especially those areas containing large redwood forests; and be it further

"Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Assembly of the State of California; to the Committee on Public Lands and Surveys:

"House Resolution 114"

"Resolution relative to the investigation of the United States Forest Service"

"Whereas the United States Forest Service has undertaken a general program of reducing the number of livestock on forest ranges, and has reduced permitted numbers as much as 60 percent in some areas and has eliminated livestock from some ranges entirely; and

"Whereas the method used by the Forest Service in determining the extent of the cuts and effecting them are arbitrary, dictatorial,

and inconsiderate of the interests of the permittees whose homes and lifetime investments are at stake; and

"Whereas it is vital to the stability of the livestock industry and to the food supply of the Nation that forest permittees have the right to a fair and impartial adjudication of the issues arising between them and the United States Forest Service, and that such permittees be given more security of tenure so that they may plan their livestock operations intelligently: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the Assembly of the State of California hereby memorializes the Congress of the United States to make a thorough investigation of the United States Forest Service and the basis of its policies for the purpose of enacting legislation which would prevent the aforementioned evils and limit the Service to the performance of administrative functions; and be it further

"Resolved, That the chief clerk of the assembly shall transmit copies of this resolution to the President of the United States, the Presiding Officers of each House of the Congress, and to the Senators and Representatives in the Congress from California."

STABILIZATION OF AMERICAN ECONOMY—RESOLUTION OF HUTCHINSON (KANS.) TEACHERS' ASSOCIATION

Mr. CAPPER. Mr. President, I have received a resolution adopted by the Hutchinson (Kans.) Teachers' Association urging the Government to maintain a stabilized economy so as to avoid inflation during postwar years and keep the cost of living under control. I ask unanimous consent to present the resolution, and that it be referred to the Committee on Banking and Currency and printed in the RECORD.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolution commending the Federal Government for its efforts to maintain a stabilized economy and urging further action to avoid inflation during postwar years

Whereas living costs have been partially held in check during the war years; and

Whereas many powerful forces are now exerting extreme pressure on the Government to remove restrictions on inflation; and

Whereas many millions of workers can never hope to secure salary increases fast enough to catch up in a race with inflation: Therefore be it

Resolved by the Hutchinson Teachers' Association of Hutchinson, Kans., That suitable agencies and individuals of the United States Government be highly commended for their heroic efforts to keep the cost of living under control while the war was being fought; and be it further

Resolved, That suitable agencies and individuals of the United States Government be urged to stabilize our economy and exert every effort to avoid further inflation during the postwar years.

GOLDA CRAWFORD,
President, Hutchinson Teachers'
Association, Hutchinson, Kans.

SCHOOL-LUNCH PROGRAM—LETTER FROM PRESIDENT OF AMERICAN DIETETIC ASSOCIATION

Mr. CAPPER. Mr. President, I have received a letter from Bessie Brooks West, president of the American Dietetic Association, Manhattan, Kans., praying for enactment of Senate bill 962, known as the school-lunch bill, for which I voted yesterday. I ask unanimous consent to

present the letter and that it be appropriately referred and printed in the RECORD.

There being no objection, the letter was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

THE AMERICAN DIETETIC ASSOCIATION,
February 11, 1946.

SENATOR ARTHUR CAPPER,

United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: The American Dietetic Association is giving its hearty support to bills S. 962 and H. R. 3370 for the following reasons:

1. There is a need for legislation providing for a permanent school-lunch program.
2. This permanent program should make provision for proper supervision and adequate nutritional education.
3. There should be cooperation on the Federal level between the Department of Agriculture and the Office of Education directed toward intelligent coordination of activity. Likewise, provisions should be made for cooperation and coordination on the State level. Otherwise, political implications arise which tend to obscure the whole point of the program as it reaches State levels.
4. A strong and independent division within the Department of Agriculture should be established to direct this important assignment. This division should be staffed with individuals having adequate training to assume the responsibility of a program directed toward improving and maintaining the nutritional well-being of American school children.

5. Provisions for coordination and cooperation between the United States Department of Agriculture and the Office of Education are essential for the sort of program desired by this group.

In addition to the immeasurable benefits that this legislation will mean to the children of our Nation, it will also be an aid to the farmer by providing an orderly distribution of his farm products. You may recall that in 1945, the United States Department of Agriculture reported a total expenditure of \$89,547,160 for food, estimated on the basis of contractual requirements contained in agreements between the War Food Administration and school-lunch-program sponsors.

When S. 962 is considered by the Senate, it is my hope that you will vote in favor of its passage.

Sincerely yours,

BESSIE BROOKS WEST,

President, American Dietetic Association.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LANGER, from the Committee on Indian Affairs:

S. 1305. A bill to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation; without amendment (Rept. No. 997).

By Mr. MORSE, from the Committee on Claims:

S. 1591. A bill to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of Guy F. Allen, chief disbursing officer; without amendment (Rept. No. 998);

H. R. 1090. A bill for the relief of Mrs. Margaret McWilliams; without amendment (Rept. No. 999);

H. R. 2008. A bill for the relief of the village of Cold Spring, Minn.; with an amendment (Rept. No. 1009);

H. R. 2748. A bill for the relief of the Dubuque & Wisconsin Bridge Co.; without amendment (Rept. No. 1000); and

H. R. 3224. A bill for the relief of Mrs. Lionel Comeaux and New Orleans Public

Service, Inc.; without amendment (Rept. No. 1001).

By Mr. ELLENDER, from the Committee on Claims:

S. 1504. A bill for the relief of Edith Roberta Moore; with an amendment (Rept. No. 1003);

H. R. 3904. A bill for the relief of Haymond C. Campbell; with an amendment (Rept. No. 1004); and

H. R. 4269. A bill for the relief of Ida Barger, Hazel A. Beecher, Etta Clark, Jesse Ruth France, John W. Nolan, Anna Palubicki, and Frank J. Schrom; without amendment (Rept. No. 1002).

By Mr. EASTLAND, from the Committee on Claims:

H. R. 3012. A bill for the relief of George W. Murrell and Kirby Murrell, a minor; with an amendment (Rept. No. 1005).

By Mr. HUFFMAN, from the Committee on Claims:

S. 1609. A bill for the relief of Catherin Gilbert; with an amendment (Rept. No. 1007);

S. 1627. A bill for the relief of Mrs. Isabel N. Miffin; with an amendment (Rept. No. 1008); and

S. 1840. A bill for the relief of the Danvers Shoe Co., Inc.; without amendment (Rept. No. 1006).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Utah:

S. 1869. A bill to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase of 20 percent, and for other purposes; to the Committee on Military Affairs.

By Mr. MAGNUSON:

S. 1870. A bill to authorize the appointment as Foreign Service officers of persons who have served honorably in the armed forces of the United States during World War II but are now precluded from such appointment by reason of certain citizenship requirements; to the Committee on Foreign Relations.

By Mr. WALSH:

S. 1871. A bill to authorize the conveyance of a parcel of land at the Naval Supply Depot, Bayonne, N. J., to the American Radiator & Standard Sanitary Corp.; and

S. 1872. A bill to provide for the rank of original appointments in the Corps of Civil Engineers of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. HART:

S. 1873. A bill granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.; to the Committee on Commerce.

By Mr. ROBERTSON:

S. 1874. A bill to increase and stabilize the United States domestic wool production and to further stabilize the importation of raw wool from foreign countries; to the Committee on Agriculture and Forestry.

By Mr. PEPPER:

S. 1875. A bill to authorize and request the President to undertake to mobilize at some convenient place in the United States an adequate number of the world's outstanding experts, and coordinate and utilize their services in a supreme endeavor to discover means of curing and preventing cancer; to the Committee on Foreign Relations.

NATIONAL HOUSING POLICY— AMENDMENT

Mr. MURDOCK (for himself and Mr. WAGNER) submitted an amendment intended to be proposed by them, jointly,

to the bill (S. 1592) to establish a national housing policy and provide for its execution, which was referred to the Committee on Banking and Currency and ordered to be printed.

WAR DEPARTMENT CIVIL APPROPRIATION BILL, 1947—AMENDMENT

Mr. PEPPER submitted an amendment intended to be proposed by him to the bill (H. R. 5400) making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows: On page 6, line 16, strike out the figure "\$97,883,250" and insert in lieu thereof the following: "\$158,578,650, or such portion thereof as the Chief of Engineers may estimate can be economically expended during the fiscal year ending June 30, 1947, and in accordance with his recommendations to Congress."

MARINE INSURANCE ON CERTAIN UNITED STATES EXPORTATIONS

Mr. RADCLIFFE submitted the following concurrent resolution (S. Con. Res. 57), which was referred to the Committee on Banking and Currency:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that any loan made by the Export-Import Bank of Washington or any other instrumentality of the Government for the purchase of United States products for exportation, or any part of which may be used for such purchase, should be conditioned upon an agreement by the borrower that any marine insurance placed on such products shall be placed in the United States with companies lawfully doing business in one or more of the States, unless the Maritime Commission, after investigation, shall certify to the lending instrumentality that such insurance with respect to the particular products involved is not available in the United States at reasonable rates and on reasonable terms and conditions.

ADDRESS BY SENATOR MYERS AT ANNUAL FOUNDER'S DAY DINNER OF THE GENERAL ALUMNI ASSOCIATION OF TEMPLE UNIVERSITY

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by him at the annual founder's day dinner of the General Alumni Association of Temple University, Philadelphia, February 15, 1946, which appears in the Appendix.]

WASHINGTON'S BIRTHDAY ADDRESS BY SENATOR MAYBANK

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an address delivered by him on February 22, 1946, before the Washington Light Infantry, at Charleston, S. C., which appears in the Appendix.]

UNITED NATIONS ORGANIZATION—ADDRESS BY SENATOR PEPPER BEFORE INDEPENDENT VOTERS OF ILLINOIS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him before the Independent Voters of Illinois, at Chicago, Ill., on June 29, 1945, on the subject of the United Nations Organization, which appears in the Appendix.]

INTERNATIONAL EXCHANGE OF STUDENTS—EDITORIAL COMMENT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "Idea for Friendship," written by William Philip Simms and published in the

Washington Daily News of February 26, 1946, and an editorial entitled "Student Exchange," published in the Washington Post on February 19, 1946, on the subject of international exchange of students, which appear in the Appendix.]

LABOR UNIONS IN THE NATIONAL ECONOMIC PICTURE—EDITORIAL FROM WABASH PLAIN DEALER

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "Is This Paper Against Unions?" published in the Wabash Plain Dealer, which appears in the Appendix.]

CARL SCHURZ AND THE REBIRTH OF GERMANY

Mr. WILEY. Mr. President, I derive inspiration from many lives of the past. We all have our personal friends in history—philosophers, statesmen, poets, men of the church. In our own history Washington, Lincoln, Webster, Hamilton, Jefferson, Beecher, and many others, have contributed to my little store of knowledge.

When a boy I became interested in an American by the name of Carl Schurz. March 2, 1946, will mark the one hundred and seventeenth anniversary of the birth of this great American, a great German-American.

In anticipation of this anniversary, I should like to say a few words about a subject which would be dear to the heart of this great statesman—the rebirth of Germany along the lines of progress, peace, and her true, illustrious culture.

This is a subject dear to the hearts of all Americans of German descent, men and women who have made an indispensable contribution to the economic, political, and social life of our beloved Nation. It is a subject also of vital interest to every American who respects the German of culture and science.

It is particularly appropriate to consider the redirection of the great German talents along peaceful lines at this time when:

(a) There is grave concern as to the adequacy of administration of the American-occupied zone of Germany with its 15,000,000 souls.

(b) There is concern for the well-being of the stricken population of all of Germany and Austria in the present food crisis.

(c) There is anxiety over the conflicting policies of Russia, England, France, and the United States with regard to the rebirth of Germany.

I know, Mr. President, that in even daring to raise these issues, I shall be attacked in certain quarters as being everything from a Germanophile to a Nazi-lover.

Recently I have been in correspondence with our American authorities in Germany on behalf of adequate relief there. For my efforts, I have been subject to sneering attacks from several sources, particularly those who have hysterically alleged some mystic biologic condition in the German people which makes them eternal enemies of mankind.

Mr. President, in listening today to our distinguished associate [Mr. VANDENBERG], I am sure we were all impressed by the realization that the great United Nations Organization cannot and will

not be a success unless there is back of it the great peoples of earth with the will, the desire, the purpose, and the vision to cooperate. That is true of the 70,000,000 Germans who need to be reborn. That is the problem.

MY POSITION ON GERMANY

Let me deny these base accusations against myself and against this people who have given so much that is good and true and helpful to the arts, the sciences, and all phases of humanity's endeavor.

My whole purpose in raising this subject is this:

To make certain that we and our allies do everything possible to help the German people to help themselves, to get them back on their feet, so that they can make their vital, peaceful contribution to Europe and to the world.

Because I am concerned with food conditions in Germany does not mean that I am one bit less concerned with food conditions among those who fought alongside us in the war just concluded.

Because I am anxious to see Germany make peaceful contributions to the world does not mean that I am one bit less anxious to see that Germany never again takes up the sword.

It is on this basis that I have urged that the members of the Voluntary Relief Committee which recently toured Germany be invited to testify before the appropriate Senate committee on the facts regarding food conditions there.

It is on this basis that I am now awaiting a reply from Gen. Mark W. Clark on food conditions in Austria.

It is on this basis that I shall continue to point out the strengths and weaknesses of Allied policy regarding Germany.

GERMANY CAN BE HELPED BACK TO THE ROAD OF PEACE

In the February issue of the Reader's Digest there is an article by Frederic Sondern, Jr., one of the editors of this widely read magazine. The title of Mr. Sondern's article is We Are Bungling the Job in Germany.

Editor Sondern's comments have been substantiated by on-the-spot observations from other objective reporters which have appeared in our daily press and many prominent periodicals, including the Saturday Evening Post.

Mr. Sondern said in part:

With the establishment of American Military Government over a quarter of Germany and 15,000,000 Germans, we undertook the most difficult and important foreign political task in our history. We are not doing well at it. Our Berlin headquarters is deadlocked in disagreements with our allies. Our Military Government, which redeployment is rapidly stripping of its experienced men, is becoming a laughing stock in the Reich. And the population, which has learned little from defeat, is not impressed by our works or our representatives.

This alleged record of general failure is the more tragic and the more inexcusable in the light of two facts:

First. In isolated, specific instances our Military Government has been successful in weaning Germans away from the Nazi way of thought.

Second. In the United States, Americans of German ancestry have been

among the most effective contributors to national defense in time of war and to national welfare in time of peace, with the progress of this Republic ever present in their minds and in their hearts.

A Member of the House of Representatives who visited the American zone of occupation in Germany had this revealing incident to relate, indicative of the possibilities of winning the German people away from the Nazi ideology:

The Congressman was asked to accompany a constituent of his, a German-speaking sergeant, to a meeting in a village hall. The Congressman did not speak German, and the sergeant volunteered to give him an account of what was taking place. The burgomeister called the meeting to order. For some minutes there was a serious discussion. Then the burgomeister called upon the sergeant for a few words. The sergeant began by reading a few rules of conduct expected of the community. After that, he abandoned his prepared speech and launched into a swift flow of German. This had gone on for only a minute or two when, from the back of the room, the older men burst into loud cheers and hand clapping. The burgomeister hastily adjourned the meeting. When the Congressman asked the sergeant what had brought on the demonstration, the sergeant replied: "I merely told the older men, 'Now, you are the heads of your own families. If your children do what you think is wrong, you can now punish them without fear of having them turn you over to the gestapo.'"

By those simple words, discipline had been restored in over a score of German homes. Old teachings, true teachings—precepts of honor and of honesty—could once more be uttered without the looming horror of the concentration camp. The tragedy of this picture is that a like liberation could not take place or did not take place throughout our entire occupation area.

What all this evidence points to is that there still remains some assurance that there is hope for the German people of today if—and it is a big if—our occupation policies bring out the good which remains in them. The whole world may be at peace, but heredity and environment are at war still in Germany. We must throw our weight on the side of heredity. We must change their environment from a Nazi environment to a free environment. We cannot just mark time, waiting for the coming of the Hitler of 1960.

Somewhere in the past the German people stood at a point where two roads branched. Their people had produced scientists, musicians, philosophers, engineers, artists, religious and educational leaders. Some of the German people—in fact, most of them—followed false leadership down the wrong road to national socialism and ultimate defeat after the most devastating war in all history. Other Germans, when personal freedom was dead in their own country, fled to the United States. Here, under our Constitution, they built their lives anew and have become an integral part of the social, economic, and political development of our Nation.

GERMANY'S CONTRIBUTIONS TO AMERICA

On January 24, 1946, the Senator from Alabama [Mr. BANKHEAD] declared:

Let us consider the Germans. Relatively speaking, this country is full of Germans. There are in the United States, of foreign born, 1,237,772 Germans. I got those figures from the Census yesterday. There are of Germans born in the United States, one or both parents German, 3,998,850, nearly 4,000,000 mixed-breed Germans.

The Senator's figures, however, only took into consideration Americans born in Germany and Americans one or both of whose parents were born in Germany. What of the unnamed millions of Americans—the so-called second, third, fourth, and fifth generations of Americans—whose remote ancestors were of German origin? What of the unnumbered Americans of German ancestry who have Americanized their names so that the traces of their German origin have been lost in time? The father of the late Senator George Louis Wellington took that name and dropped his own name of Weissgerber when he was naturalized. The well-known name of Rockefeller was known to the German members of that family as Rogenfelder.

Let us look at what Germans, individually and collectively, did for America and for these United States before the continental Germans chose the totalitarian road.

As far back as 1486, Martin Behaim, the Nuernberg astronomer, served King John of Portugal by making researches in navigation. These experiments helped to lay the groundwork for the voyage of Columbus 6 years later. Martin Waldseemuller of Freiburg gave the very name "America" to the New World. In 1507 he suggested in his book, *Cosmographie Introduction*—

I do not see why anyone may justly forbid it (the New World) to be named after Americus, its discoverer, a man of sagacious mind, Amerige, that is the land of Americus, or America, since both Europe and Asia derived their names from women.

I can point to many German pioneers in the Western Hemisphere: to the Fugger colony in Peru, the Welser colony in Venezuela and San Domingo, to the Germans whom Capt. John Smith mentioned as being among the early settlers in Jamestown, to John Lederer of Hamburg who was commissioned by Governor Berkeley of Virginia to lead exploring expeditions. I can tell of German settlements in New York, in Pennsylvania, of the "Cote des Allemands"—the German Coast—of Louisiana, and of the pioneering Germans in the midwestern States of Missouri, Ohio, Illinois, Iowa, Minnesota, Nebraska, and my own Wisconsin. How many know that Washington's bodyguard was made up of Germans commanded by Major von Heer, that one of the first American heroines, Molly Pitcher, was born Marie Ludwig? That the Schells, the Zanes, and the Wetzelz were names to conjure by on our first frontiers? I could show the great waves of German immigration during the Nineteenth Century which added so much to the commerce, the culture, and the communities of the United States. I could present the picture of Wendeln Grimm, later arrived in Minnesota

from Germany with a sack of seeds that were later to become the basis of the great American alfalfa crop. I could use as an example the service of agricultural chemist, George Hoffer, in building soils with nitrogen, potash, and phosphorus.

And who can dispute the German origin of such names as Kruger, Nimitz, and Eisenhower?

I have shown what Americans of German ancestry contributed to this country. If time permitted I could show even more. But the valuable service of all Americans of German heredity can best be shown by examining the life of one of their number. I refer to that great and distinguished American, Carl Schurz.

CARL SCHURZ—GREAT GERMAN-AMERICAN

Mr. President, I stated that I desired to say a few words about Carl Schurz. He was born on March 2, 1829, near Cologne. He refused to take the turning of the road that led to totalitarianism. He fought the trend which ended in Hitler. When he could no longer resist that trend, he left Germany for the United States. For a time, he lived in Philadelphia. Wisconsin knew him as a resident of both Watertown and Milwaukee—prominent in Republican affairs since 1856, as chairman of the Wisconsin delegation to the Republican National Convention of 1860. Illinois knew him as a speaker, fighting for Abraham Lincoln during the historic Lincoln-Douglas debates. Michigan knew him as the editor of the *Detroit Post*. Missouri knew him as coproprietor and editor with Emil Praetorius of the *St. Louis Westliche Post* and as United States Senator from Missouri. New York knew him as a contributor to *Harper's Weekly*, as editor in chief of the *New York Evening Post* and as a pioneer in civil-service reform. The North knew him as a brave and able general during the War Between the States. The South knew him for his fearless report to President Johnson in which he advocated the readmission of the Confederate States with complete restoration of rights and a full investigation of further needs by a congressional committee. The country as a whole knew him as an honest, far-seeing Secretary of the Interior, the office for which Mr. Krug has been nominated.

Significantly enough, it is Carl Schurz who provided the key to the present situation in the American zone of occupation in Germany. Once, when the late Senator Carpenter, of Wisconsin, tried to overwhelm one of Schurz's arguments with Decatur's slogan "My country—right or wrong," Schurz delivered his now famous retort: "My country, right or wrong; if right to be kept right, if wrong to be set right."

THE CHALLENGE TO AMERICA FOR A PEACEFUL GERMANY

It still lies within the power of this country today to keep right those conditions in our zone of occupation in Germany which are right and to set right those conditions that are wrong. It is a great task. But it is, also, a great challenge. The German people must be diverted back onto that road of progress from which they were taken away over a century ago. Will we help them to their

destiny of being contributors to civilization? Or will we allow them to remain on the evil road of totalitarianism to be—in another generation—once again the destroyers of civilization? We must act—fearlessly, honestly, speedily—as Carl Schurz would have wanted us to act. This is our job. This is our responsibility. For the sake of our children and our children's children, we dare not fail.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FLANNAGAN, Mr. COOLEY, Mr. ZIMMERMAN, Mr. PACE, Mr. HOPE, Mr. KINZER, and Mr. ANDRESEN were appointed managers on the part of the House at the conference.

LEAVE OF ABSENCE

Mr. WILEY. Mr. President, in view of the fact that I have to be in Buffalo tomorrow, I ask consent that I may be excused from attendance on the Senate this afternoon and Thursday.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Without objection, the leave is granted.

MODIFICATIONS IN THE AUTHORIZATION FOR CERTAIN SUBSIDIES

Mr. BARKLEY. Mr. President, I ask unanimous consent that the unfinished business, which is the deficiency appropriation bill, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1000, House Joint Resolution 301.

The PRESIDING OFFICER. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 301) to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Banking and Currency with amendments.

Mr. BARKLEY. Mr. President, I wish to make a brief statement with reference to House Joint Resolution 301, which the Committee on Banking and Currency has unanimously reported, instead of similar resolutions which were pending before the committee and which had been introduced in the Senate.

In the present law Congress authorized an over-all subsidy expenditure of \$1,500,000,000. That covered a great many commodities, some of which have been released from the subsidy provisions. In other words, subsidies have either been discontinued or reduced on some articles; but the joint resolution provides for the continuation of the subsidy on sugar beyond the first of July, and also provides for a subsidy on processed vegetables

which will be processed prior to June 30, and on flaxseed which is harvested prior to July 1, 1946. It also provides for \$125,000,000 for meat subsidies and \$25,000,000 for flour subsidies, which will not require any additional authorization, but will be payable out of the authorization already made, and which is available because of the reduction or discontinuance of other subsidies.

The situation in regard to sugar is, briefly, as follows: There is a scarcity of sugar in this country, as we all know. The Government of the United States, in order to encourage sugar production, especially in Puerto Rico and Hawaii, provided a subsidy, and also authorized the expectation of an increase in the price of sugar. That was for the planting of the crop in 1945, but it is known as the 1946 crop of sugar. It is necessary in order that such sugar may be imported into the United States and relieve the shortage of sugar, that there be an increase in price of one-half cent a pound. That means that the Government will lose, by reason of the subsidy, approximately six-tenths of a cent or three-fifths of a cent a pound in addition that cannot be absorbed by the increase. That will cost the Government between \$23,000,000 and \$25,000,000 for the period of 1946, because we do not limit the subsidy payments on this sugar to June 30, 1946, as we do in the case of the other items contained in the bill. So that in order that we may facilitate the importation and distribution of this sugar, which is a very scarce commodity in the United States, we have provided that the sugar subsidy may continue through 1946, and beyond July 1, because it will not be entirely marketed by that date, but will be marketed throughout the year.

The committee also provided that the subsidy might be continued on processed vegetables which are processed prior to July 1. That will cost a total of from \$5,000,000 to \$8,000,000.

The committee also by an amendment provided for the continuation of the subsidy on flaxseed harvested prior to July 1. That will cost approximately \$1,000,000.

We have provided in the joint resolution that the subsidy on meats shall continue until the 30th of June, and we have allocated out of the funds heretofore authorized, but, as I said, it will not involve any increased authorization, \$125,000,000 for meats and \$25,000,000 for flour. The truth is that the \$25,000,000 for flour in part is made necessary because wheat is selling at approximately parity, and at the ceiling price. It went up a little faster and a little sooner than was expected, and this extra \$25,000,000 is necessary in order to carry on this program for the remainder of the fiscal year ending June 30.

I might also make a further statement, Mr. President, in view of the situation existing in the meat-packing industry. What I shall speak of is not in the joint resolution, and it is not necessary to be in the measure, but I desire to make the statement so it will be in the RECORD because it developed too late to print it in the report. There have been certain wage increases in the packing industry,

and, as a consequence, there will be certain increases in the price of meat. I think the increase will be approximately 1½ cents a pound. The wage increases in some cases will be retroactive to January 26, but there is no way by which to make ceiling prices retroactive. Therefore, there is a gap between the effective date of the wage increases and the effective date of the ceilings on processed meats, and it will be necessary for the Government to bridge that gap, which will cost about \$15,000,000. It takes about 60 days for the Office of Price Administration to work out the schedule of ceilings to correspond with the increases which have been made in wages.

This briefly is an explanation of the joint resolution. It has passed the House, and was unanimously reported by the Committee on Banking and Currency. Its enactment is necessary in order to carry on the program for the remainder of the present fiscal year, and extend the sugar program beyond the 1st of July. As I have said, it involves no additional authorization, but will be paid out of funds heretofore authorized to carry on the subsidy program.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Overton
Austin	Hatch	Pepper
Bailey	Hawkes	Radcliffe
Ball	Hayden	Reed
Bankhead	Hickenlooper	Revercomb
Barkley	Hill	Robertson
Bilbo	Hoey	Russell
Brewster	Huffman	Saltonstall
Bridges	Johnson, Colo.	Shipstead
Briggs	Johnston, S. C.	Smith
Buck	Knowland	Stanfill
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Carville	McFarland	Tobey
Chavez	McKellar	Tunnell
Cordon	McMahon	Tydings
Donnell	Magnuson	Vandenberg
Downey	Maybank	Walsh
Ellender	Mead	Wheeler
Ferguson	Millikin	Wherry
Fulbright	Mitchell	White
George	Moore	Wiley
Gerry	Morse	Willis
Gossett	Murdock	Wilson
Green	Myers	Young
Gurney	O'Mahoney	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

Mr. TAFT. Mr. President, the joint resolution is in the nature of a deficiency subsidy measure. Last year the Congress fixed the subsidy program, under the provisions of the law which was enacted forbidding subsidies to be paid without express authority of Congress. Congress then, in two laws, one for the RFC and one for the Commodity Credit Corporation, established the subsidy program. The total authorized subsidy payments contained in the law relating to the RFC amounted to \$1,503,000,000. In that sum is contained a subsidy for meat in the amount of \$595,000,000, and a subsidy for flour in the amount of \$190,000,000. The meat subsidy will expire about the first of May. The butter subsidy has been partially discontinued. The sum of \$190,000,000 which was al-

located for flour will expire sometime around the first of May.

The last amendment in the pending measure is designed to increase the meat subsidy by \$125,000,000 and the flour subsidy by \$25,000,000, so as to enable the present subsidies to be continued until the 1st of July.

Mr. President, so far as I am concerned, I have always been opposed to these subsidies.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. REVERCOMB. Will the Senator explain how the flour subsidy is paid and to whom it is paid?

Mr. TAFT. The flour subsidy is paid to the millers. The reason given for the required increase in the flour subsidy is that the price of wheat has increased above the figure at which the subsidy was originally calculated. So, in order to hold the price of flour at the same figure where it was, the millers have been paid a gradually increasing subsidy and have used up in 10 months a subsidy which was intended to last for 12 months. That is approximately the situation in respect to flour.

Mr. AIKEN. Mr. President, let me inquire of the Senator whether the price of wheat is now above parity.

Mr. TAFT. The testimony was that the price of wheat is exactly at parity, and has been for several months.

Mr. AIKEN. Then, the subsidy is to cover the increased cost of milling, so as to hold down the price of bread. Is that correct?

Mr. TAFT. Yes; it is to hold down the price of bread.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. I wish to refer to the time when the distinguished senior Senator from Ohio was assistant to Herbert Hoover, at the time Mr. Hoover was Food Administrator during World War I. Is it not true that today the price of wheat is almost half what it was at that time?

Mr. TAFT. Yes; my impression is that at that time the maximum price for wheat was \$2.25 a bushel, and subsequently, as I recall, it was \$2.50 a bushel. For the crop in 1919, according to my recollection, the price was \$2.50 a bushel. Today it is about \$1.65.

Mr. LANGER. Yes. I wonder whether the Senator can tell us whether anything the farmer buys is cheaper now than it was during World War I.

Mr. TAFT. I am afraid I do not know. My impression is that it is not, but I could not make an unqualified statement on the subject because I do not know the facts.

Mr. LANGER. Coming from an agricultural section of the country, as I do—

Mr. TAFT. I am glad to yield to the Senator.

Mr. LANGER. And knowing the situation there, I can say that the truth of the matter is that farm machinery, for example, costs more today than it did during World War I. At that time farmers were receiving \$2.26 for their wheat in Minneapolis. At the present time, as the Senator from Ohio has said,

wheat is selling for 60 cents or more cheaper. The farmer receives that much less for his wheat.

Mr. SHIPSTEAD. And, Mr. President, at that time, during the First World War, beef was selling for 17 or 18 cents a pound.

Mr. LANGER. Yes.

Mr. TAFT. Of course, Mr. President, not only is the price of farm machinery high, but with the increase granted to steelworkers and with the increase in the price of steel it will be necessary to increase the price of farm machinery. The result will be that the price of farm machinery will be higher, rather than lower.

Mr. LANGER. I should like to have the distinguished Senator tell me how the farmers are going to exist, with wages increasing and the price of farm machinery increasing, if the prices paid for crops are lower than they are now. How are the farmers going to exist with eggs, for example, selling at 22 cents a dozen?

Mr. TAFT. I am afraid that question is one which I cannot answer. I do not have the figures, and I do not know the facts. I cannot say whether it can be done or cannot be done; I cannot give a proper answer.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. REVERCOMB. The able Senators who have asked questions have made a point about the low price of wheat, as compared to the price of wheat following and during World War I. The very point of the inquiry I made a few moments ago—I asked where the subsidy was paid, and the direct answer of the Senator from Ohio was that it was paid to the processor or miller—was that it does not in any way, as I understand, affect the price the farmer receives for his wheat.

Mr. TAFT. I think the subsidies paid today are consumer subsidies. Certainly these two are, and perhaps all food subsidies are. Today the effect is to pay out \$60,000,000 a month in order to make it unnecessary to increase the price of meat 4 cents a pound. That means we are drawing from the Treasury of the United States \$720,000,000 a year which we would not have to draw from the Treasury if we were willing to increase the consumer's price of meat by 4 cents a pound. The testimony was that that would be the increase in the wholesale price, and that in the process of distribution the increased cost to consumers might be 5 cents a pound.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. In speaking of the effect the subsidy would have on the prices paid for farm products, particularly wheat and meat, let me say there is an indirect benefit growing out of the fact that if it were not for the subsidy the purchaser of wheat or livestock would have to reduce the price paid to producers or would have to increase the price charged to consumers. So in a sense the subsidy does enable them to pay for both wheat and livestock the prices they are paying, and not have to increase the cost of the finished prod-

ucts to the public. That happens by reason of the subsidy we are providing for. That may be an unsound policy, but it does work both ways.

Mr. TAFT. If the subsidy were abolished, it might be that that increase in price would be charged back to the farmer. But as I analyze prices and wages at the present time, the price level is below the wage level and in some cases it is below the cost of production. If we wish to have any production at all, I think the course suggested, namely, of turning this back at a lower price to the farmer, is an utterly impractical course. If we took off the controls, I think the increased price would be passed on to the consumers. The subsidies we are paying today result, as a practical matter, simply in holding down the prices to consumers. In theory, of course, the increase might go back to the farmer.

Mr. BARKLEY. Yes.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SHIPSTEAD. What is the total amount of food subsidies paid at this time?

Mr. TAFT. Food subsidies are being paid at a rate in excess of \$1,500,000,000, in fact, about the rate of \$1,700,000,000, I think. The largest item is the one to which I have referred, namely, \$720,000,000 for meat. Added to that is \$568,000,000 for dairy products, making a total of \$1,300,000,000.

Mr. SHIPSTEAD. Yes.

Mr. TAFT. With this addition the flour subsidy will amount to more than \$200,000,000. So the total will be \$1,500,000,000. Then there are various incidental subsidies which I think bring up the total figure to approximately \$1,700,000,000.

Mr. SHIPSTEAD. \$1,700,000,000?

Mr. TAFT. That is correct.

Mr. SHIPSTEAD. Subsidies in that amount are paid in order to keep down the price of food at the present time. Is that correct?

Mr. TAFT. That is correct.

The President said in his speech that to take off these subsidies would increase the cost of living by 3 percent, which he considered so outrageous that he refused to consider a decrease in the subsidies. He proposed that the subsidies continue during the entire year 1947, although at the same time he is recommending a wage increase and salary increases for Government employees amounting to anywhere from 15 percent to 20 percent, which certainly should enable them to pay an increase of 3 percent in the cost of living.

Mr. SHIPSTEAD. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. SHIPSTEAD. The essence, then, is that we are now borrowing money, which is to be paid back in the future, in order to keep the prices of food at the present levels. Is that correct?

Mr. TAFT. That will be the case so long as the Government is operating at a deficit and so long as we add this additional expenditure, which incidentally is not included in the President's Budget for the year 1947. It means a further addition to the national debt.

Mr. SHIPSTEAD. In other words, it means that we shall be postponing the payment of a good share of our food bill for the food we are now eating, to a time in the future when payment will be made out of the taxes paid into the Treasury by the people, or from the proceeds of the bonds which are now being sold.

Mr. TAFT. The Senator is entirely correct.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator mentioned the increase of 15 or 20 percent in salaries and wages which the President is recommending, and the Senator said that as a result of that increase the workers should be able to pay a 3-percent increase in the cost of living. Of course, the Senator realizes that the increase mentioned by the President related not alone to the cost of food which is being subsidized. Three percent would not in any way represent the total increase in the cost of living if all controls were removed and if commodities not subsidized at all were taken into account. In that event, the increase in the cost of living might amount to as much as the increases of wages which the President has recommended.

Mr. TAFT. The Senator makes a proper point. I may also suggest that we reduced taxes 3 percent last year in order to help consumers pay the additional cost-of-living bill.

Mr. BARKLEY. This measure has nothing to do with the general problem of subsidies to be paid after the 1st of July. That question will arise in connection with legislation dealing with the JPA and with the question of what subsidies are to be paid in the future. As the Senator has said, this measure is in the nature of a deficiency measure for subsidies already authorized.

Mr. TAFT. As I have said, I did not vote for them and I did not propose them, because I do not approve of such subsidies.

One of the questions we confront is whether to continue these subsidies for 2 months at the present rate, and make the main fight on the subject of subsidies in connection with consideration of the bill which is now before the House of Representatives and which proposes to continue these subsidies at the rate of \$1,500,000,000 or \$1,700,000,000 for the next fiscal year, or whether we should say, "No; now is the time to stop. Begin to taper off your subsidies at this time."

Mr. LANGER. Mr. President—

Mr. TAFT. I yield.

Mr. LANGER. I wish to find out for what months the \$190,000,000 is proposed.

Mr. TAFT. The \$190,000,000 for flour?

Mr. LANGER. Yes.

Mr. TAFT. It is for the period from the 1st of last July to the 1st of next July, and it will run out along about the 1st of May. For flour we are paying at the rate of \$20,000,000 a month from the Treasury. The testimony was that if the price of bread were increased 1 cent a pound, it would more than pay the entire subsidy. So, again, it is a consumer's subsidy. In order to prevent the increase in the price of bread by 1 cent a pound, the Federal Government

is now proposing to pay \$215,000,000 a year out of the Federal Treasury, and add it to the public debt. That is what the subsidy policy means. As I have said, the pending joint resolution is merely a deficiency subsidy measure.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. Why is not the \$190,000,000 to be paid for wheat instead of for flour?

Mr. TAFT. Because it has always been a consumers' subsidy. The purpose is not to give the farmer more money, but to keep down the price of bread. Before the enactment of the provision requiring that authority be obtained from Congress, it was not possible to pay the subsidy. We tried to abolish it but the President vetoed the bill. Then Congress enacted a provision requiring that express authority be obtained from Congress.

Mr. LANGER. The farmer does not sell flour; he sells wheat.

Mr. TAFT. I have already said that this subsidy is not for the benefit of the farmer. It is for the benefit of the consumer.

Mr. LANGER. I received the impression from the distinguished majority leader that it is for the benefit of the farmer.

Mr. BARKLEY. Oh, no; I did not say that. I said that if it were not for the subsidy millers would be required to reduce the price paid to the farmer for wheat, or it would be necessary to increase the cost of bread, and in order to avoid an increase in the cost of bread the millers were subsidized to that extent. But without the subsidy there would be either an increase in the cost of bread, or the price paid the farmer for wheat would necessarily be lower. So the proposal is an indirect benefit to the farmer in that the price of wheat will not be reduced. Obviously, parity cannot be paid on wheat while at the same time bread is being sold at the price which has obtained. So there must be a reduction in the price of wheat, or an increase in the price of bread, and the purpose of the proposal is to absorb the difference.

Mr. LANGER. The farmer is supposed to receive parity for his wheat. Now he is required to pay taxes on \$190,000,000 out of his profits, if he has any profits, in order that the subsidy may be paid.

Mr. BARKLEY. As the Senator from Ohio [Mr. Taft] has said, we have not subsidized the grower in any of these subsidy programs. In the case of flour made out of wheat, and in the case of sugar, some provision has been made, and also with respect to the processing of vegetables, and there is one direct subsidy, I would say, namely, that on flaxseed. We provided an extension of the pay period to the 1st of July, because the amount allocated together with other expirations will come to an end about the 1st of May. The subsidy program only indirectly helps the farmer. It is useless to try to deceive anybody about that. But there is an indirect benefit received through the prevention of a reduction in the price of the farmer's

product, or through the prevention of an increase in the price of the finished product to the consumer.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOWNEY. I know that the distinguished Senator from Ohio always desires to have the record accurate. In connection with his statement that the President recently urged an increase of from 15 to 20 percent in the salaries of Federal employees, I wish to point out that since 1940 the only basic increase which the Federal worker has received amounts to less than 16 percent, while the cost of living has increased 33 percent. So the proposed increase will do no more than restore to the Federal worker the same real purchasing power he had in 1940.

Mr. TAFT. The recommendation of the President of a 17½-percent increase in the wages of those who are, in many respects, among the highest paid industrial employees, has set a pattern for the entire Nation in respect to the payment of wage workers which brings their compensation to a point nearly 50 percent higher than the prewar rates. I merely contrasted the inconsistency of that policy with the policy which says that it is absolutely outrageous to increase the cost of living 3 percent, while at the same time the increase in wage rates to which I have referred is taking place.

Mr. McCLELLAN. Mr. President, as I understand, there has been effected a saving in certain subsidies which have been authorized in the past. The pending joint resolution is for the purpose of making certain that that money will be available for meeting deficiencies which will arise with respect to certain other subsidies which have been authorized. Am I correct in my understanding?

Mr. TAFT. Most of the savings is in connection with the \$290,000,000 heretofore paid to petroleum and petroleum products. The moment the war with Germany came to an end there was no longer the slightest necessity to pay all the vast amounts involved in the transportation of gasoline. That money was saved. But, Mr. President, we cannot now say that we are not adding money to the Government expenditures by passing this bill, merely because money which was appropriated for another purpose has already been saved. It is true that the money was not needed for the purpose for which it was appropriated. But to say now that we are not really increasing the budget because the total of \$1,500,000,000 is not any greater, seems to me to be a misrepresentation of the effect of the joint resolution.

Mr. McCLELLAN. That is the point which I wish to emphasize. It is true that the war has come to an end, and it may have resulted in certain savings of money authorized to be spent for specific purposes in connection with the acquisition of needed war material. But what we are proposing now to do is to increase food subsidies and make use of the money which was originally intended for other purposes. The argument is being made that by so doing we are not increasing the budget or spending any more money than at the beginning we

had planned to spend. Have I stated the situation correctly?

Mr. TAFT. The Senator is correct. Not only that, but the estimates of expenditures for the fiscal year ending July 1, 1946, in which the President anticipated a deficit of \$15,000,000,000 or \$20,000,000,000, were based on the assumption that there would be no such expenditures, so we are adding to the deficit for the fiscal year 1946 by making the requested appropriation.

Mr. McCLELLAN. Mr. President, I hope the Senator from Ohio will yield to me for a further statement. I do not intend to speak at length, but I must leave the Chamber within a few moments to attend a committee meeting, and I wish to say that I am very anxious that a point be reached when we can eliminate the spending of money for subsidies. During the wartime many expenditures were justified. We spent vast sums of money and engaged in deficit spending, all of which was absolutely necessary. But I honestly believe that the time has come when we should get within the Budget and remain there. I cannot, for the life of me, see any justification at this time for continuing the payment of a subsidy to consumers in America. If it is imperative that it be done at this time, it will be necessary hereafter to do so, and we will thereby be establishing a permanent governmental policy with respect to subsidizing consumers. I believe the time has come when it should be stopped. I do not see how I can possibly go along with this program when wages are being raised all over the country, and we are undertaking to maintain the national income at the level at which it has been maintained in the past, and must tax our people further, and incur additional deficits which future generations will have to pay. I do not believe it makes sense. I believe the time has come for the American Government and for the people of America to become self-sustaining. If we cannot live on the high national income which now prevails, I see no hope of ever doing so in the future.

Mr. TAFT. Mr. President, I agree with the Senator. I have an additional statement to make with respect to the meat subsidy, a matter which did not come before the committee. Of the \$125,000,000, \$15,000,000 will be used to add to the packers' subsidy for the purpose of meeting additional wage costs involved in the increased compensation of 16 cents an hour to the workers in the packing industry. Mr. President, I wish to make that clear. Mr. Bowles is going to increase the price of meat 1½ cents a pound, I believe that is the figure, 3 weeks from now. He says that the increase subsequent to that date will not be in subsidies. But, he proposes to increase the subsidy in order to meet the increase which will occur between now and 3 weeks from now, and also the retroactive increase which was granted to the packers in many cases, running back to the beginning of the controversy some time in January or the first of February.

Fifteen million dollars is not a tremendous amount, but, in principle, I think if we are to permit an increase of wages, and then compensate for it by subsidy out of the Treasury, we have reached the point where the Government out of the Treasury is simply paying people to do the things the Government wants them to do. It is yielding to a pressure group because it says, "If you do this we will pay you so much for doing it." I do not think we can afford to adopt, in principle, the theory that the Government should pay for wage increases granted by industrial employers, or otherwise.

I myself am going to vote against the joint resolution. I think it is a doubtful question as to when the present practice should stop. When the matter is brought up in July I think I shall take the position that it should be tapered off, so that this increase will not occur all in one lump sum. I think it should be tapered off rather rapidly.

I wish to say a few words in regard to the sugar subsidy. There is a sugar subsidy today, as there has been for some time. The sugar question is a complicated one. In effect, the Government fixed one price for Cuba, another for Puerto Rico, another for Hawaii, and another for the beet-sugar industry.

Mr. LANGER. Will the Senator yield on that point?

Mr. TAFT. In a moment. These are pooled, because, of course, sugar all has to be sold at one uniform price. In order to do that some kinds of sugar are subsidized; the Government pays the difference, and then sells the particular sugar for less, and spreads the whole thing out.

Last spring, or sometime during the summer months, the officials came before us and said, "We think we are going to have to pay more for the Cuban sugar crop, and we want authority to pay a subsidy for the increased price we will have to pay the Cubans for sugar." The committee immediately objected to that, and said, "No; if you are going to pay more for the Cuban sugar crop you will have to raise the price of sugar to compensate for it." They did have to pay more for the Cuban sugar crop, and they raised the price of sugar by forty-five one-hundredths of a cent. They did not do quite the whole job, because even with that increase in the price of sugar a subsidy of \$15,000,000 more is required in order to handle the crop.

Why the administration did not increase the price fifty-five hundredths of a cent and pay the whole thing, I do not know, and I cannot understand. I am not perfectly certain about the total figures, but I think an increase of 1 cent or 2 cents, if the tariff were restored, would pay the entire sugar subsidy, which is now running at the rate of \$115,000,000 a year.

I do not see why Mr. Bowles should not increase the price of meat, instead of 1½ cents, by 2 cents a pound. Then we would not have to provide this \$125,000,000 provision.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator

from Ohio yield to the Senator from Kentucky?

Mr. TAFT. I yield.

Mr. BARKLEY. As I stated a while ago, the increase in wages is retroactive; and that is the result of Government action. The Government took over the packing plants, and the increase in wages was made retroactive. It is impossible for the machinery to be worked out overnight to increase the prices to take care of the increase in wages. It has to be done in an orderly way, and the additional \$15,000,000 of which the Senator speaks is to take up the gap between the effective dates of the increase in wages, which the Government itself brought about, and the increase in prices which it will bring about.

Mr. TAFT. It makes no difference to the packer in May whether he gets a subsidy or whether he gets an increased price for his products sold in May or June. The whole \$15,000,000 can be taken care of if, instead of increasing the price 1½ cents, it is increased 2 cents a pound.

Mr. BARKLEY. The packer cannot get an increase in price for either January or February.

Mr. TAFT. That is perfectly true, but the packer does not get the subsidy anyway until about May, and he might just as well get the cash from the consumers in the increased price of meat he sells in May. This fifteen million could be eliminated entirely if Mr. Bowles were willing to increase the price 2 cents instead of 1½ cents for 2 months, and that is a perfectly possible thing for him to do.

Mr. LANGER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. LANGER. Can the Senator tell me why it happens that the producers in Cuba get more for their sugar than those in Puerto Rico, which is part of our own country?

Mr. TAFT. No; the producers in Cuba do not get more than those in Puerto Rico.

Mr. LANGER. They get a larger subsidy. A Puerto Rican cannot compete with the producer in Cuba when it comes to selling sugar, because our Government helps Cuban sugar producers at a larger rate than it does those in Puerto Rico.

Mr. TAFT. That is not quite correct. Today the price paid for Cuban sugar is less than the price paid for Puerto Rican sugar. In normal times the price paid is about 75 cents a hundred pounds more, which is the amount of the tariff. Cuba has to pay the tariff in normal times, and Puerto Rico does not. So Puerto Rico gets about 75 cents a hundred pounds more than Cuba gets. But now, under an Executive order of the President, the tariff has been taken entirely off Cuban sugar.

Mr. LANGER. That is the point exactly.

Mr. TAFT. Still, I do not think the Cubans are paid today as much as the Puerto Ricans are paid, while there may not be as much differential as there was.

Mr. LANGER. If the distinguished Senator will take the trouble to investi-

gate, he will find that since the tariff has been taken off, the Cuban producer is being preferred at the expense of the producer in Puerto Rico, to quite a considerable extent.

Mr. TAFT. It is quite expensive to produce sugar in Puerto Rico, and unless there is a differential, the Puerto Rican sugar industry will be wiped out.

I wish to refer to one other matter in the joint resolution which is now pending. In it there is a provision which reads:

Neither the last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended, nor the act of June 23, 1945 (59 Stat. 260), shall be construed to apply to purchases by the Reconstruction Finance Corporation of such tin ores and concentrates as it deems necessary to insure continued operation of the Texas City tin smelter.

It is not entirely certain that that is required to be authorized by special act. We are apparently losing about \$12,000,000 a year on the operation of the smelter in Texas, using low-grade Bolivian ore, but probably from a national defense standpoint it is wise to continue the operation of that plant at a loss.

I rather objected to taking this out of the general provision that these things must be authorized, until it was pointed out that under the Byrd-Butler Act that operation must be submitted in the Budget as part of the program of the RFC for the coming year. That program will be submitted in a short time, and will be open to action by Congress. So I see no objection to including it in this bill, although if the provision should be rejected I do not think anything would be lost as a result.

Mr. BARKLEY. Will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator knows that the tin smelter referred to in the joint resolution is the only tin smelter in the Western Hemisphere.

Mr. TAFT. I understand that.

Mr. BARKLEY. The Director of Reconstruction and the stabilization officers, after consulting with the other agencies of the Government, have recommended that it is essential at the present juncture to continue the operation of that one smelter in the Western Hemisphere for the production of tin. How long it will be necessary I cannot predict, but it is the only one in operation, and if it is not continued, even at a loss—which I think has been running at the rate of about \$12,000,000 a year—the result will be serious.

Mr. TAFT. However, the funds contained in the original act are sufficient to cover any possible loss up to the first of July, so I am merely saying this is not an absolutely essential provision at the present time.

Mr. President, while I recognize the arguments of the Senator from Kentucky, so far as I am concerned I am not willing to vote in favor of continuing the subsidy program at full speed, and to some extent at an increased speed, from May 1 to July 1, and therefore I propose to vote against the joint resolution.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. I am not on the committee, and I should like to ask if this is not in the nature of a deficiency matter?

Mr. TAFT. Yes, because as it turned out, the money under the original act did not last for 12 months, but only for 10.

Mr. LANGER. Can the Senator give us any idea when hearings will be held and we can see to it that Puerto Rico is taken care of the same as Cuba is, so far as sugar is concerned?

Mr. TAFT. This is the last chance to do anything about that, I think, unless there is a desire to pass a special bill, because so far as sugar is concerned, this sets the program for the entire calendar year 1946. It does not call for any additional money, but with the additional authority granted, and using the money provided for sugar last year, the administration can carry out the entire 1946 sugar program. So I do not think the question of sugar will arise again in a general subsidy bill. It may, but it will not be for this calendar year, it will be for the following calendar year, perhaps.

A general bill covering subsidies is now pending in the House of Representatives as part of the OPA program, and I assume the House will take another month or so to dispose of that bill before it comes to the Senate and is considered by the committee. If I may guess, I should say that sometime in April we will have a hearing on the general subject of subsidies.

Mr. LANGER. I am sure the Senator is familiar with the sufferings of the people of Puerto Rico.

Mr. TAFT. I am, yes.

Mr. LANGER. Does not the Senator think the people of Puerto Rico are entitled to at least as much benefit in producing sugar as are the people of Cuba?

Mr. TAFT. I think the people of Puerto Rico should under any plan receive at least 75 cents a hundred pounds more for their sugar than the people of Cuba.

Mr. LANGER. When this matter comes before the Banking and Currency Committee is the Senator going to offer an amendment to that effect, if it should be necessary to do so?

Mr. TAFT. Yes, if we can work out the intricacies of this program so that that may be done. The chief trouble is this: There is an old provision, passed during the First World War, or before that, which provided that a naval vessel coming back from the foreign port, picking up stores in a foreign port, could bring such stores into the United States without their being subject to the tariff. Under that provision the President of the United States—I think with complete lack of authority of any kind—issued an Executive order which extended that authority so as to permit, without being subject to the tariff, any essential commodities to be brought into the United States by any department of the Government, although the statute related only to the Navy Department. Under that order the tariff on sugar from Cuba has been set aside. I certainly propose to do everything I can to see that that Executive order is nullified at the earliest possible date. It could only be justified, if at all, by the grossest extension of the

war powers, and it seems to me it should come to an end at once, which automatically would take care of the situation to which the Senator has referred.

Mr. BARKLEY. Mr. President, in that connection I wish to say to the Senator from North Dakota, as I intimated to him a while ago, that the whole question in substance, and even the extension of the OPA, is coming up in a bill now pending in the House committee, on which the committee is holding hearings. The bill is to carry out a program for the remainder of the present fiscal year, which is already in progress with respect to meat and flour, and the sugar crops in Puerto Rico and Hawaii of 1945, that is planted in 1945 but harvested and marketed in 1946. There is not any quarrel between Puerto Rico and Cuba, or Hawaii and Cuba with respect to this matter.

When we come to consider a permanent program of subsidies for sugar or anything else to be effective after July 1, the Committee on Banking and Currency, I can assure the Senator, will go thoroughly into that subject, will have hearings on it, and make a determination of it. But this is a matter to which we have committed ourselves. It is a program for the fiscal year 1946, ending on the 1st of next July, which we have found it necessary to inaugurate, which was recommended by the Department of Agriculture, the Commodity Credit Corporation, the Reconstruction Finance Corporation, and which was adopted by the House of Representatives practically without opposition.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The House has not passed on the subsidy for meat or the subsidy for flour.

Mr. BARKLEY. No, the House left those items out, but passed the bill I am talking about, containing the sugar provision, the provision respecting the tin smelter, and other provisions. The Senate committee placed in the measure the additional provision respecting flour and meat. It was necessary to do that by reason of the fact that the cost of wheat to the millers has been greater than was anticipated, because the price of wheat rose to parity more rapidly than was expected at the time the program was prepared.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. When I was in Puerto Rico some months ago I went among the farmers who raise sugar. They told me they simply could not compete with the Cuban sugar because the Cuban sugar raisers had a preference from the United States Government. I promised the Puerto Rican farmers to whom I spoke that I would try to see that they were given a square deal, and I want to make good on that promise.

Mr. BARKLEY. Mr. President, almost since the time of Cuban independence the people of Cuba have received a preference. It was a part of the arrangement we made originally, and for years some preference has been given to Cuba. It was not a subsidy. It was a long-time

policy of the Government. It may have been unjust, but it has been the settled policy of the Government for two or three decades, or even longer.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. That preference, though, is only a preference over foreign nations. In other words, the general tariff rate, we will say is 90 cents, and Cuba pays only 75 cents. Puerto Rico has always had that advantage of 75 cents a hundred pounds until the tariff requirement was completely removed by the Executive order.

Mr. AIKEN. Mr. President, will the Senator yield for one question?

Mr. BARKLEY. I yield if I have the floor.

Mr. AIKEN. Do I understand the Senator correctly that the appropriation made in this joint resolution is for the purpose of carrying out agreements already made?

Mr. BARKLEY. It is to carry out a program which is already in progress. In regard to sugar, we made the promise last year, as an inducement for planting as large a crop as possible. That crop, while planted last year, is not harvested until this year. It is for that reason that the provision respecting sugar extends through the entire year 1946. But the meat-subsidy program is in progress. The flour-subsidy program is in progress. We authorized \$190,000,000 for the flour subsidy. The joint resolution provides \$25,000,000 more for the remainder of this fiscal year, which will make it altogether \$215,000,000, but it will be necessary to cut off the subsidy entirely on the 1st of May unless this measure is passed, and then either the price of wheat will go down or the price of bread will go up. There is no way to get around that. The same applies to meat.

Mr. AIKEN. This appropriation is for the purpose of carrying on a program which is now in progress.

Mr. BARKLEY. It is an understanding between the Government and the producers of flour and meat that we would carry it on during the fiscal year 1946 ending the 1st of next July. If we do not pass this legislation we will not have kept our word with them in holding out the hope that it would be a year-long program ending the 1st of July. Everybody understood that when the new OPA bill should come before Congress we would then determine whether the program should be extended beyond the 1st of July.

Mr. AIKEN. Does the Senator believe that meat has been produced under the expectation that the subsidy would be paid until July 1?

Mr. BARKLEY. There is no doubt about that. The whole program of stimulation which was inaugurated by the subsidy, and the preservation of the price to the grower by reason of the subsidy, though an indirect benefit, has been tied in with the whole program of production, subsidy, and the price to the consumer. It is all an integrated program. I would not be able to say, and I would not state that it has resulted in any individual contract between the Government of the United States and

any particular person. It is a program which we have inaugurated.

Mr. TAFT. Mr. President, I should say that the Government is bound in no way to continue the subsidy under the provisions of this joint resolution. What is the choice? The choice is simply that if we do not pass the subsidy legislation Mr. Bowles will have to increase the price of meat. That is the only difference. The farmer gets the same money. The producer gets the same money. The packer gets the same money. The only thing is that the consumer would not continue to get quite as large a subsidy for quite so long a time as he would if the joint resolution were passed. So there is no obligation of any kind. I am told that the flour millers should know what the program is to be 60 days in advance. This money will run for 60 days, so there is really no question in that respect. The flour millers might find it difficult to protect themselves if this program were cut off overnight, but the money already appropriated with respect to flour will continue to be available for flour until May 1, at any rate for at least a period of more than 2 months.

Mr. BARKLEY. While there is no legal contract which is enforceable between the Government and any person receiving the subsidy, everyone knows that it was contemplated and arranged that the subsidy should continue for the entire fiscal year. Everyone understood that.

Mr. TAFT. Not at all. It was provided that it should not cost more than \$190,000,000. If the officials of the Government have spent that amount of money in 10 months, instead of in 12 months, there can be implied no obligation whatever which would make it necessary to have a deficiency appropriation for the last 2 months.

Mr. BARKLEY. On the basis of the price of wheat at the time the program was inaugurated it would not have cost another dollar, but the price of wheat has increased.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. Is an adequate amount of money appropriated to continue the dairy subsidies until July 1? That is, to pay the subsidies on milk and butter and other dairy products?

Mr. BARKLEY. I understand there is an amount adequate to pay the subsidies on dairy products.

Mr. AIKEN. Until July 1?

Mr. BARKLEY. Until July 1.

Mr. TAFT. I understand the \$568,000,000 appropriated to the Commodity Credit Corporation is ample for that purpose. No deficiency is requested for that item.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. I note the intention to take care of the flour millers and the packers. I noted particularly what the Senator from Kentucky said in reply to the Senator from Ohio about the Government making good its word. If it is true that the Government should keep its word in that regard, I want to know

why the farmers of South Dakota and Montana did not, in 1943, receive the \$10 an acre which was promised them for seeding flax.

Mr. BARKLEY. I cannot answer that question. I do not know why the farmers did not receive it. But I do not know what that has to do with the pending measure.

Mr. LANGER. It has this to do with it, that the farmers were then promised \$10 an acre in the form of a subsidy for planting flax.

Mr. BARKLEY. There may be many circumstances connected with that matter with which I am not familiar. I do not want to give a curbstone answer to that question because I do not know what the answer is.

Mr. LANGER. It simply seems as though the packers and the flour millers are taken care of pretty well by this measure.

Mr. BARKLEY. It is not a question of taking care of the packers and the flour millers. This whole program was inaugurated, as everyone knows, to prevent an increase in the cost of food. It absorbed an increase that would have been necessary if it had not been provided through this subsidy both in the case of flour and of meat.

Mr. LANGER. But the Senator well knows that in 1943 the Government stated it needed flax. The distinguished Senator from Nebraska [Mr. WHERRY] is familiar with that situation.

Mr. BARKLEY. We are trying to take care of flax in this measure. It contains a provision that flax harvested up to July 1 shall be included, and a million dollars is provided for that purpose.

Mr. LANGER. That is to provide \$5 an acre for planting flax last year. But the Senator well knows that the farmers did not receive a dollar for planting flax in 1943. The farmers seeded their land to flax, but never received the \$10 which was promised them.

Mr. WHERRY. I will verify that statement.

Mr. BARKLEY. I think there are circumstances in connection with that matter which would be worth going into.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. I told the majority leader I would not make a speech with respect to this program, and I want to keep my word. But I wish to ask him a question.

Mr. BARKLEY. I want the Senator from Nebraska to understand that I did not exact such a promise from him, because I always enjoy hearing him speak, even when he is opposed to me.

Mr. WHERRY. I should like to ask the distinguished majority leader a question about the \$125,000,000 which I understand is the meat subsidy. There is a new item of expense of \$15,000,000 in the appropriation to pay the increase in wages to labor in the packing plants.

Mr. BARKLEY. There is nothing in the joint resolution about that. Of the \$125,000,000 provided for, about \$15,000,000 would be used to bridge the gap between the effective date of increased wages and the effective date of increased

prices for meats. The increase in meat prices will take care, from that date on, of the increase in wages of the workers.

Mr. WHERRY. That is the point about which I wished to ask. As I understand, the increase in wages is retroactive.

Mr. BARKLEY. It is retroactive to January 26.

Mr. WHERRY. What about prices?

Mr. BARKLEY. Prices must be worked out now. They have not been increased. I am advised by the OPA and the Department of Agriculture that 3 or 4 weeks will be required to devise schedules so as to place the increases on an orderly basis. During that period the men who are working for the packers will be receiving increased wages, and the packers will receive no increased prices during that period. That is the gap to which I am referring.

Mr. WHERRY. When the gap is finally closed, will the increase in prices be reflected all the way back?

Mr. BARKLEY. The increase in wages will be reflected in increased prices for meat.

Mr. WHERRY. I can see that from now on that will be true; but how is the retroactive increase in wages to be reflected in prices?

Mr. BARKLEY. A great deal of meat has been sold since January 26, under present existing prices, but the wage increases go back to that date. There is no way to make price ceilings retroactive, so as to allow the packers to collect an increase on the meat which they have already sold, during the period when the increased wages took effect.

Mr. WHERRY. I think I have that point clear. I should like to ask the distinguished majority leader one further question: Does this subsidy go back beyond the packer?

Mr. BARKLEY. No. It is a subsidy to the processor.

Mr. WHERRY. I am speaking particularly in the interest of those who produce and feed cattle. They are still subject to the Vinson directive, which establishes a ceiling price on grade A cattle of not more than \$18.

Mr. BARKLEY. Except in such cases—if there be any—in which the ceiling has been removed.

Mr. WHERRY. None of the ceilings have been removed. There was no testimony to that effect.

Mr. BARKLEY. That is true.

Mr. WHERRY. I wish to make it plain that, so far as the producer or cattle feeder is concerned, this subsidy does not reflect a higher price to him, because he is limited now by the Vinson price directive.

Mr. BARKLEY. He is not directly affected; but without the subsidy the packer or the processor might have been required, in order to live, to reduce the price paid to the producer of cattle. That was inevitable, with a ceiling on the price of meat and a ceiling on the price of cattle. Many small packers became squeezed between the upper and nether millstones. Many of them came here. I saw many of them, as did the Senator from Nebraska. The smaller packers had a real case as between the price they had to pay for the livestock

and the price they received for processed meats. But indirectly the subsidy has benefited the grower, in that the purchaser did not have to reduce the price below the ceiling in order to make himself whole in the process.

Mr. WHERRY. The argument advanced by the majority leader is that if the subsidy is paid to the processor because his current costs have been increased, the processor or the packer will not reduce the price of cattle in the open market by the amount of his increased costs.

Mr. BARKLEY. That is true.

Mr. WHERRY. So therefore the price which the processor pays the cattle feeder would not be disturbed if the subsidy made up the difference in his current costs.

Mr. BARKLEY. That is correct.

Mr. WHERRY. Mr. President, I wish to have the RECORD show that I am in total agreement with the majority leader as to the theory of the effect of the subsidy. But it does not reach out to the producer as a subsidy, because the processor has to have the subsidy to pay current costs. The only chance the cattle feeder has for maintaining his price on cattle is within the range of the Vinson price directive, and under this program there is no inducement to the cattle feeder to increase the supply of beef.

All this emphasizes the importance of Senate Joint Resolution 118, which is now before the Committee on Banking and Currency. The Congress of the United States is responsible for the prices established by the Price Administrator. If we are to keep faith with the provisions of the original act, the Price Administrator should not be permitted to set a price below the traditional percentage profit. Certainly when the Price Administrator sets the price it should be partly figured on current costs. If it is not, we shall find more cattle feeders going out of business. The price of corn is high. About the only way it can be obtained is through black-market operations. I point that out to the majority leader because in the consideration of any suggested price relief certainly the traditional percentage mark-ups must be maintained in the light of current costs in order to get production.

While I appreciate the theory of the argument advanced by the distinguished majority leader, which is correct, that whatever help the packer gets should be reflected to some extent in the price on the open market, but that does not work out in practice. It is my belief that the original law itself provides that the Price Administrator shall impose a maximum ceiling which must permit the parity price or the highest price paid between the months of January and September 1942. Unless we get that relief, regardless of the subsidy to the packer, which may or may not be reflected in the price to the cattle producer, we are not going to have cattle in the feed lots to provide meat for the families of America. I hope that the Committee on Banking and Currency will give the suggested resolution consideration. It has been worked out with great care to place prices on a level which will permit production above current cost. If we do not get production,

we shall not be able to control inflation, regardless of what price legislation we place upon the statute books.

Mr. BARKLEY. No Member of the Senate and no one in the United States will rejoice more vociferously or enthusiastically than will I when the time comes when we can remove all artificial restrictions or stimulations which have been necessarily imposed during the war and get back to an economy based upon the law of supply and demand, which will fix prices in the over-all picture of our industry and agriculture. But that time has not yet come. We expect to go into that question within the next month. It is now being considered in the House committee; and when it comes before us for consideration, we shall go into it thoroughly. If on the 1st of July the Congress wishes to put an end to subsidies, or to refuse to extend the OPA another day, that will be the responsibility of Congress. But this bill is in the nature of an additional authorization to carry out a program which was contemplated for a year, and not for 10 months.

Mr. WHERRY. Mr. President, will the Senator yield for a further observation?

Mr. BARKLEY. I yield.

Mr. WHERRY. I thank the distinguished majority leader for his remarks, especially those relating to a return to the free competitive system, on the basis of supply and demand. I agree with him in toto.

But I am speaking about the difficulty which is an impediment now. I think we all agree that we want maximum production. The question is, How are we to get it? Some feel that we should have a more flexible price system. I am simply bringing to the attention of the distinguished majority leader—and I know that he will give it consideration—the point that whether we have controls beyond June or not, success in achieving maximum production will depend upon the establishment of maximum prices which will permit such production based on current cost.

In the pending measure, so far as the \$15,000,000 is concerned, there is an attempt to increase the wages of labor without increasing prices, except through a subsidy. The producer does not receive the subsidy except through a reflection in the price in the open market, which I think is most doubtful.

Mr. BARKLEY. The increase in wages is already an accomplished fact.

Mr. WHERRY. I am not disputing that; but it is not taken into consideration in the prices. If it had been, there would be no need for a subsidy now.

Mr. BARKLEY. It will be taken into consideration. It is being taken into consideration; and as soon as the machinery can be put in operation the increased prices of meats will absorb the increased labor costs. However, there is a gap which needs to be filled.

Mr. WHERRY. I believe that the Committee on Banking and Currency should give particular consideration to this question, because unless prices are established which permit production between now and the time about which the Senator speaks, when we can remove all controls and allow our economy to be governed by the law of supply and de-

mand, we shall not have production. We want an economy of maximum production instead of scarcity; and unless we change the price system we shall not have cattle in the feed lots.

Mr. BARKLEY. As a member of the Committee on Banking and Currency, I can assure the Senator that that subject will be gone into in detail when we get to the point of details, and when we come to consider what policy we shall recommend by way of further legislation.

Mr. TAFT. Mr. President, in line with the remarks of the Senator from Nebraska [Mr. WHERRY], I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article from the Cincinnati Enquirer of February 26, 1946.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PACKERS ARE TO SHUT DOWN FRIDAY; FED UP WITH HARASSMENT BY OPA

Seventeen independent meat wholesalers supplying 70 percent of the meat to greater Cincinnati and northern Kentucky decided at a meeting last night to shut down their packing plants for an indefinite period at the close of business Friday.

"It is no longer possible for us to continue in business under the harassing restrictions and complicated regulations imposed by the Office of Price Administration," a spokesman for the group declared. "We are going to shut down our plants to support the movement in St. Louis, where 35 plants are closing Thursday."

Another packer issued the following statement:

"We cannot operate without subsidies, and we cannot operate with subsidies. The OPA gives us subsidies on condition that we abide by the regulations. If we do not abide by the regulations, it threatens to take away the subsidies, plus 6 percent interest from the time they were awarded."

"None of us are honestly able to abide by the regulations because none of us understand them. Nobody on this side of heaven understands them. And yet they bring us into court if there is a single unintentional violation of regulations that no genius could come close to understanding."

It was pointed out that the Government forces the taxpayers of greater Cincinnati and northern Kentucky to pay meat subsidies totaling approximately \$15,000,000 a year. An almost equal sum, it was said, is being paid on a yearly basis by these taxpayers for salaries to Government employees who have to check and recheck subsidy claims.

"The OPA regulations should be canceled or revised," a packer said. "This will permit these Government men to change to more gainful and useful occupations and it will permit us to resume our business without being tied hand and foot by red tape."

The 17 Cincinnati and northern Kentucky packers who will shut down their plants are:

Gus Juengling & Son, Howard Pancero & Co., C. Rice Packing Co., Joe Rice Packing Co., J. B. Ireton Co., William G. Rehn's Sons, G. Ehrhardt Sons, Inc., Herman Kemper Sons, Lester Pancero, Ernest Eckertlin, Henry Meyers Sons, Inc., Jacob Schlachter Sons, Inc., Jacob Bauer Sons, A. Koch's Sons, S. W. Gall Sons, William Reinders & Co., and John Hilberg & Sons Co.

These packers said they would do their last butchering Friday, killing whatever livestock remained on hand at that date. If they go through with their original plans, their plants will continue to be shut down until the OPA revises or cancels its Meat Price Regulation 574, which governs packers in their initial operation—the purchase of live cattle—and

follows through to the final operation of obtaining Federal subsidies.

At present three of the packers involved in the shut-down have been cited to court by the OPA which seeks to recover subsidies it has paid and 6 percent interest in addition. All three packers assert that if they have been guilty of violating sections of MPR-574, these violations have been unintentional, and due to the fact that they do not understand the regulations.

Mr. TAFT. I wish to read a portion of the article.

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"The OPA regulations should be canceled or revised," a packer said. "This will permit these Government men to change to more gainful and useful occupations, and it will permit us to resume our business without being tied hand and foot by red tape."

That situation is continuing indefinitely. I am citing only one example of the complete mismanagement of control of subsidies, including the meat subsidy. So far as I am concerned, I shall ask for a vote against the committee amendment which proposes continuation of the meat subsidies at the present rate, together with the flour subsidies at the present rate.

I think the sugar subsidy program is so complicated that I do not desire to interfere with it. But so far as the meat and flour subsidies are concerned, the only possible result of our refusing to adopt the proposal as to those subsidies will be to force the OPA at an earlier date to increase the price somewhat and to reduce the subsidies. I think the lesson to them that the Congress is dissatisfied with their procedure as to the meat subsidy and is dissatisfied with their procedure as to other subsidies, is going to be a very healthy warning. The House refused to adopt the amendment and I think the Senate should reject it.

Mr. BUTLER. Mr. President, I should like to ask the majority leader, as acting chairman of the Committee on Banking and Currency, whether he can give us an answer on this point: It has been stated that approximately from 160 to 175 pounds of meat are available per capita for all persons in the United States during the coming year. Apparently there is an abundance of meat. I think we can agree on that statement.

Mr. BARKLEY. Yes; I think the estimate is that, on a per capita basis, there will be more meat available to consumers in the United States in 1946 than there was in 1945.

Mr. BUTLER. I think that is correct. If we drop the subsidy program on meat, am I correct in the assumption that it will require an advance of about 5 cents a pound in the price of meat in order to give the producer what he is entitled to under the present arrangement? In other words, would not an increase of about 5 cents a pound in the cost of meat to the consumers make up for an abandonment of the subsidy program?

Mr. BARKLEY. The abandonment of the subsidy would either increase the cost to the consumers by about 5 cents a pound or else it would result in a decrease in the price received by the growers or producers of meat products. The change in price for them probably would be less than 5 cents a pound, because the 5-cents-a-pound figure is based on the finished products. But it would either result in a 5-cents-a-pound increase in the cost to the consumers or in a reduction in the price paid to the producers of the livestock from which the meat is processed.

Mr. BUTLER. I am not certain that the consumers can stand an increase in the price of meat. I am certain that the Government can impose a ceiling on meat, just as it does on grain and other commodities. The average person does not eat a pound of meat a day, so the result would not be to increase the cost of living for the people of the United States more than a maximum of 3 cents a day.

I think the time is here when the people of the United States are in a better position to assume their own board bill and the responsibility for paying their way, without having recourse to money from the Treasury of the United States in the form of subsidies. I do not think the result would be disastrous at all if an additional amount were not made available for the continuance of the subsidy program after May 1, if the funds should be exhausted by that time.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. TAFT. The rejection of this amendment would not necessarily force the OPA to abandon the subsidy program. It would force them to use in 4 months the money they expected to use in 2 months. That would mean that the subsidy would have to be cut in half, and that would mean an increase of 2½ cents a pound in the price paid by the consumer, instead of 5 cents.

Mr. BUTLER. Mr. President, I should like to make a statement in connection with the subsidy to flour millers. Of

course, we cannot expect them to operate at a loss, but we certainly can permit an increase in the cost of bread to take care of that situation, since the increase would not possibly be more than 1 cent a day per capita. I think the taxpayer would be far better off to assume that 1-cent-a-day responsibility, rather than to assume at least a 2-cents-a-day responsibility if the program is handled through the Treasury, because about as much is spent for administration as for the payment of the subsidy itself.

Mr. LANGER. Mr. President, did I understand the distinguished senior Senator from Ohio to say that he will ask for a vote on the amendment?

Mr. TAFT. I shall ask for a vote on the last committee amendment.

Mr. LANGER. The committee amendment includes flaxseed.

Mr. TAFT. That is the first committee amendment. I have no objection to it. I refer to the last committee amendment, on the last page.

The PRESIDENT OFFICER. The clerk will proceed to state the amendments reported by the committee.

The first amendment of the committee was, on page 1, in line 6, after "the words", to strike out "1945 and 1946 crop program operations"; and, and insert "(A) 1945 crop program operations and (B) 1946 crop program operations relating to sugar, vegetables processed prior to July 1, 1946, and flaxseed harvested prior to July 1, 1946."

The amendment was agreed to.

The next amendment was, on page 2, line 7, after the word "smelter", to insert "and (c) allocations for meat and flour provided in the act of June 23, 1945 (59 Stat. 260) are hereby increased by \$125,000,000 and \$25,000,000, respectively: *Provided, however*, That this shall not be construed to increase the aggregate amount allocated by said act of June 23, 1945, for subsidy payments and anticipated losses for the fiscal year ending June 30, 1946."

Mr. TAFT. Mr. President, on this amendment I ask for the yeas and nays.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Myers
Austin	Hawkes	O'Mahoney
Bailey	Hayden	Overton
Ball	Hickenlooper	Pepper
Barkley	Hill	Radcliffe
Billbo	Hoey	Revercomb
Brewster	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capper	McCarran	Taft
Carville	McClellan	Thomas, Okla.
Chavez	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
George	Mitchell	Willis
Gerry	Moore	Wilson
Green	Morse	Young
Gurney	Murdock	

The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present.

The question is on agreeing to the second committee amendment on page 2, line 7.

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I merely wish to say that I am opposed to the amendment. I think that a vote against subsidies would be a "nay" vote on the amendment. A vote for additional moneys for subsidies would be a "yea" vote on the amendment.

Mr. BARKLEY. Mr. President, the Senator from Ohio is seeking to defeat a committee amendment which was recommended by the Secretary of Agriculture, the Department of Agriculture, the Reconstruction Finance Corporation, and the Commodity Credit Corporation, in order to enable the completion of a subsidy program with respect to meat and flour for the fiscal year ending June 30, 1946. Otherwise the program will have to come to an end on May 1. When it was entered into it was understood that the program would cover the entire fiscal year. The question of subsidies after July 1 next is not involved in the amendment in any way. We will deal with that matter when we come to consider the proposed legislation for the extension of the OPA Act and the Stabilization Act. I hope the Senate will agree to the amendment.

Mr. TAFT. The Senator made the statement that the program will have to cease on May 1 if the amendment is not agreed to.

Mr. BARKLEY. That is true, or the amount of the subsidy will have to be thinned out over a period of 4 months.

Mr. TAFT. The amount of the subsidy will have to be thinned out over a period of 4 months, or the increase in the price which the consumer must pay will be a very insignificant one.

Mr. BARKLEY. Whatever the amount may be, the program will either have to stop on May 1, or funds now available will have to be thinned out over the additional period which would be a violation of the program which we understood to be in existence at the time we planned for the entire fiscal year. I hope the amendment will be agreed to.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. Not knowing how he would vote if present, I withhold my vote.

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee

attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from New Mexico [Mr. HATCH] are detained at important committee meetings.

The Senator from Idaho [Mr. GOSSETT] is absent on official business at one of the Government departments.

On this question the Senator from New Mexico [Mr. HATCH] has a general pair with the Senator from Maine [Mr. WHITE].

If present and voting, the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from New York [Mr. WAGNER] would vote "yea."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Maine [Mr. WHITE] has a general pair with the Senator from New Mexico [Mr. HATCH].

The Senator from Wisconsin [Mr. WILEY] has been excused. He is absent on official business.

The Senator from Michigan [Mr. VANDENBERG] is detained on official business.

The result was announced—yeas 44, nays 33, as follows:

YEAS—44

Aiken	Hoey	Morse
Bailey	Huffman	Murdoch
Barkley	Johnson, Colo.	Myers
Bilbo	Johnston, S. C.	O'Mahoney
Briggs	Kilgore	Pepper
Capper	La Follette	Radcliffe
Carville	Langer	Shipstead
Chavez	McCarran	Stewart
Cordon	McFarland	Thomas, Utah
Downey	McKellar	Tobey
Fulbright	McMahon	Tunnell
George	Magnuson	Walsh
Green	Mead	Wheeler
Hayden	Millikin	Young
Hill	Mitchell	

NAYS—33

Austin	Gerry	Robertson
Ball	Gurney	Russell
Brewster	Hart	Saltonstall
Bridges	Hawkes	Smith
Buck	Hickenlooper	Stanfill
Bushfield	Knowland	Taft
Butler	McClellan	Thomas, Okla.
Byrd	Maybank	Tydings
Donnell	Moore	Wherry
Ellender	Overton	Willis
Ferguson	Revercomb	Wilson

NOT VOTING—19

Andrews	Capehart	Glass
Bankhead	Connally	Gossett
Brooks	Eastland	Guffey

Hatch
Lucas
Murray
O'Daniel

Reed
Taylor
Vandenberg
Wagner

White
Wiley

So the amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 301) was read the third time, and passed.

BROADCASTING OF NONCOMMERCIAL CULTURAL OR EDUCATION PROGRAMS

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 63) to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural or education programs, which were to strike out all after the enacting clause and insert:

That title V of the Communications Act of 1934, as amended, is amended by inserting after section 505 thereof the following new section:

"COERCIVE PRACTICES AFFECTING BROADCASTING

"SEC. 506. (a) It shall be unlawful, by the use or express or implied threat of the use of force, violence, intimidation, or duress, or by the use or express or implied threat of the use of other means, to coerce, compel, or constrain or attempt to coerce, compel, or constrain a licensee—

"(1) to employ or agree to employ, in connection with the conduct of the broadcasting business of such licensee, any person or persons in excess of the number of employees needed by such licensee to perform actual services; or

"(2) to pay or give or agree to pay or give any money or other thing of value in lieu of giving, or on account of failure to give, employment to any person or persons, in connection with the conduct of the broadcasting business of such licensee, in excess of the number of employees needed by such licensee to perform actual services; or

"(3) to pay or agree to pay more than once for services performed in connection with the conduct of the broadcasting business of such licensee; or

"(4) to pay or give or agree to pay or give any money or other thing of value for services, in connection with the conduct of the broadcasting business of such licensee, which are not to be performed; or

"(5) to refrain, or agree to refrain, from broadcasting or from permitting the broadcasting of a noncommercial educational or cultural program in connection with which the participants receive no money or other thing of value for their services, other than their actual expenses, and such licensee neither pays nor gives any money or other thing of value for the privilege of broadcasting such program nor receives any money or other thing of value on account of the broadcasting of such program; or

"(6) to refrain, or agree to refrain, from broadcasting or permitting the broadcasting of any radio communication originating outside the United States.

"(b) It shall be unlawful, by the use or express or implied threat of the use of force, violence, intimidation or duress, or by the use or express or implied threat of the use of other means, to coerce, compel or constrain

or attempt to coerce, compel or constrain a licensee or any other person—

"(1) to pay or agree to pay tribute for the privilege of, or on account of, producing, preparing, manufacturing, selling, buying, renting, operating, using, or maintaining recordings, transcriptions, or mechanical, chemical, or electrical reproductions, or any other articles, equipment, machines, or materials, used or intended to be used in broadcasting or in the production, preparation, performance, or presentation of a program or programs for broadcasting; or

"(2) to accede to or impose any restriction upon such production, preparation, manufacture, sale, purchase, rental, operation, use, or maintenance, if such restriction is for the purpose of preventing or limiting the use of such articles, equipment, machines, or materials in broadcasting or in the production, preparation, performance, or presentation of a program or programs for broadcasting; or

"(3) to pay or agree to pay tribute on account of the broadcasting, by means of recordings or transcriptions, of a program previously broadcast, payment having been made, or agreed to be made, for the services actually rendered in the performance of such program.

"(c) The provisions of subsection (a) or (b) of this section shall not be held to make unlawful the enforcement or attempted enforcement, by means lawfully employed, of any contract right or legal obligation.

"(d) Whoever willfully violates any provision of subsection (a) or (b) of this section shall, upon conviction thereof, be punished by imprisonment for not more than 1 year or by a fine of not more than \$1,000, or both.

"(e) As used in this section the term 'licensee' includes the owner or owners, and the person or persons having control or management, of the radio station in respect of which a station license was granted;" and

Amend the title so as to read: "An act to amend title V of the Communications Act of 1934 so as to prohibit certain coercive practices affecting radio broadcasting."

Mr. WHEELER. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Colorado, Mr. TUNNELL, Mr. MYERS, Mr. WHITE, and Mr. AUSTIN conferees on the part of the Senate.

WILLIE H. JOHNSON

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1129) for the relief of Willie H. Johnson, which was, on page 1, line 6, to strike out "\$600" and insert "\$350."

Mr. PEPPER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

COVERAGE OF CERTAIN DRUGS UNDER FEDERAL NARCOTIC LAWS—CONFERENCE REPORT

Mr. GEORGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate; and agree to the same.

WALTER F. GEORGE,
D. I. WALSH,
JOS. BAILEY,
ROBT. M. LA FOLLETTE, Jr.,

Managers on the Part of the Senate.

R. J. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
A. WILLIS ROBERTSON,
HAROLD KNUTSON,
D. A. REED,
ROY O. WOODRUFF,

Managers on the Part of the House.

Mr. GEORGE. Mr. President, I move the adoption of the conference report. The report was agreed to.

URGENT DEFICIENCY APPROPRIATION ACT, 1946

The Senate resumed the consideration of the bill (H. R. 5458) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for other purposes.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Legislative," on page 2, after line 1, to insert:

SENATE

For an additional amount for clerical assistance to Senators (including chairmen of standing committees) at the rate of \$2,400 per annum, effective March 1, 1946, fiscal year 1946, \$76,800.

The amendment was agreed to.

The next amendment was, on page 2, after line 6, to insert:

Notwithstanding the provisions of the act of May 10, 1916, as amended by the act of August 29, 1916, the Sergeant at Arms of the Senate is hereby authorized during the Seventy-ninth Congress to employ, whenever necessary, the services of Government employees for folding speeches and pamphlets at the prevailing rates provided by law.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives," on page 2, after line 15, to insert:

For payment to the widow of J. Buell Snyder, late a Representative from the State of Pennsylvania, \$10,000.

The amendment was agreed to.

The next amendment was, under the heading "Executive Office of the President—Office for Emergency Management—Civilian Production Administration," on page 3, line 9, after the numerals "1946", to strike out "\$1,500,000" and insert "\$750,000."

Mr. HAYDEN. Mr. President, I desire to be heard in opposition to the committee amendment. I desire to invite the attention of the Senate to the fact that the amount of money carried in the bill as it passed the House is the amount contained in the Budget estimate, and

that it was adopted by the House on a unanimous report from its Committee on Appropriations, and that the leadership on both sides in the House supported it.

I quote from the CONGRESSIONAL RECORD the statement by Mr. CANNON of Missouri, the chairman of the House Committee on Appropriations, who said this appropriation—

deals with the disposition of every commodity, and especially, at this time, housing items, lumber, steel, and building materials, of which the whole country is so desperately in need. It has already relaxed many of its restrictions, but due to the change in the economic situation and delay in the reconversion program, it is necessary now to continue many of its activities and resume some of those discontinued to insure an adequate supply of materials and facilitate their distribution.

Then Mr. TABER, the Republican leader on the House Committee on Appropriations, said:

This bill does not call for an enormous sum of money. The total involved is something in the neighborhood of \$3,500,000. One of the major items is the Office of Civilian Production. I can see where a very considerable additional activity temporarily and for a few months after the severe strike situation that the country is facing, will be placed upon that Administration, because there probably will have to be for a little while allocations of some of the critical materials. We probably could not break away from that immediately.

The committee report, which is unanimous, points out that it has become necessary to retain an effective operating organization in addition to activities concerned in orderly liquidation. That is due to the strike situation, to the fact that unemployment was not so great as had been expected, and therefore there is a shortage of labor. As pointed out in the report there were 23,000 employees in the Office of War Production when the war with Germany came to an end. After that the number was reduced. When VJ-day came the number was down to 11,000. Mr. Small, who is head of the organization, appeared before our committee last fall and said they were continuing to reduce the number of employees; that by the first of the year they would have cut down the number to 2,500; that by this time they would have cut down the number to 2,300, and by the 1st of April, if they were given no more money, the number would be reduced to 400, and the 400 would wind up the Civilian Production Administration.

The coal strike was then in progress, and Mr. Small stated at that time that if there was a continuance of labor disturbances which interfered with production it would be necessary to channel material. He agrees with everyone that production is the essence of this situation. He said that if ample production could be obtained it would not be necessary to channel material. In the absence of ample production, caused by strikes, by the unavailability of labor, or whatever it may be, it is necessary for a time to continue to channel materials, particularly in the building industry. For that reason we are confronted with this question: Do we, out of a total of 23,000, want to keep on the pay roll from

April to the 30th of June 2,300 experts who know how to channel these materials? It takes this much money to do it. The House has appropriated it. I think the Senate should appropriate it.

Mr. McKELLAR. Mr. President, I regret very much that my distinguished friend, the Senator from Arizona, whom I admire and esteem most extravagantly, should take the position that this appropriation ought to be increased. The question is perfectly simple. The matter of housing has recently been placed in the hands of a housing administrator, Mr. Wyatt, who, from what I hear of him and from what I have seen of him, seems to be a very excellent man. The Administration of which Mr. Small is the head is the old War Production Board. Last fall the War Production Board, like all the war agencies, was asked to make a thorough examination and cut down its appropriations, have them rescinded and the money placed back in the Treasury. Mr. Small did that.

In the meantime that agency had been changed from the War Production Board to the Civilian Production Administration. It is remarkable that that should have occurred at the time it did occur, to say the least. Why should the name be changed? If the agency was doing good work in wartime, it could continue to do good work in peacetime if it were necessary to retain it. It was not necessary to change the name. That in itself is somewhat peculiar.

But that is not the real trouble, Mr. President. The real trouble is that they are now undertaking to justify a larger appropriation by saying that they are going to use the money to help the housing situation. Unless the whole system of government has been changed from what it was during the 35 years I have been connected with it, we all know that the Housing Administration will not get started before about the 1st of July. If it is able to start by that time, it will be doing well. It will do something, but it will not become very vigorous or active before the 1st of July. In the meantime one and a half million dollars will be spent by the other agency, which is not a housing agency, but which seems very kindly disposed toward the new Housing Administration and is willing to keep many of its old employees on the pay roll of the new agency under the excuse, as it seems to me, and as I think anyone may infer from the testimony, that this money will be spent for the benefit of the Housing Administration, which, Mr. President, has not really yet been set up.

Mr. President, it seems to me for the Congress to appropriate money under such circumstances is not justifiable, and I am opposed to that kind of legislation. Perhaps I may be wrong. It may be that the Senator from Arizona is right. Perhaps Mr. Small will allocate this money in such a way that it will do the Housing Administration some good. I do not know. It will certainly provide salaries for members of the old War Production Board until July 1, and it seems to me to be unnecessary even to allow half the amount for that purpose. I think it would be better if they had not made a request for money. Now that the war is

over, we will have to end many of the war agencies at some time.

Mr. President, keep in mind that this agency is really the War Production Board. The War Production Board should have been one of the first agencies to go out of existence. Instead of that they made request for appropriation last fall. They reduced the number of employees very considerably, and that was entirely proper; but I think the War Production Board should pass entirely out of the picture by July 1, next. I think it would be regrettable that that should not happen; but surely the Senate ought not to appropriate more than the committee recommended. This subject was very thoroughly examined into by the committee. There was a very great difference of opinion. The matter was very carefully considered and voted on, not once, but several times, as I remember, in one way or another. For that reason it seems to me that the recommendation of the committee is about the best we can do in the matter.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CORDON. I inquire of the distinguished Senator from Tennessee whether it is his understanding that the Housing Authority at the present time has the legal authority to allocate lumber and other building material, as has the Civilian Production Administration, successor to the War Production Board? That seems to be the field in which the Civilian Production Administration intends to work.

Mr. McKELLAR. We had a great deal of evidence on the question. As I understand, the Civilian Production Administration has assumed to take that duty on itself for the Housing Authority, and I do not believe that that ought to be done. I do not believe that we should establish one organization to do certain work, and then let another organization come along and say, "We will take over a part of your duties. Let Congress appropriate so much money for us, so that we may keep our employees on the rolls, and we will do all we can for housing." That is what this amounts to, and frankly I am very much opposed to it.

Mr. President, I yield the floor.

Mr. CORDON. Mr. President, I am one of those who believe in reducing appropriations. However, in connection with this particular item I believe that we should do one of two things. We should either appropriate sufficient to let the skeleton administration function, or we should eliminate it entirely. As I understand, the chief duty now devolving upon the Civilian Production Administration, which by executive order succeeds the War Production Board and has the same authority, is to require the allocation of building materials to home building purposes rather than to other purposes.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CORDON. I am glad to yield.

Mr. McKELLAR. Does the Senator say that it is his understanding of the law that the War Production Board, as changed by Executive order, has the authority to say how much shall go into

civilian construction? Does it have control over the allotment of materials which enter into civilian construction?

Mr. CORDON. That is my understanding.

Mr. McKELLAR. I am quite sure the Senator is mistaken.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HAYDEN. I can state positively that no other agency of Government except the Civilian Production Administration has authority of law to allocate building materials, to channel machinery, and to do the other things necessary to break the bottlenecks of business. No other agency has such authority.

Mr. McKELLAR. Can the Senator refer to the law?

Mr. HAYDEN. Let me ask the Senator this question: Can he read to me any law which shows that any other agency has the authority? Neither of us has any law books before him, but I know what I am talking about.

Mr. McKELLAR. In my judgment no organization has such authority. The War Production Board has not been changed since the war closed. I do not think it has authority over civilian production of housing. I do not think there is any other agency which has such authority. I do not know of any authority, under perfectly well-known rules of constitutional law—and I still think we have a Constitution, although sometimes I am in doubt—which would justify or authorize an appropriation of this kind.

Mr. CORDON. Mr. President, may I inquire of the distinguished Senator from Tennessee what his idea is of the duty of the Civilian Production Administration, as it is now constituted?

Mr. McKELLAR. Since the War Production Board has changed its name, and perhaps done other things, I do not know, and I do not believe anyone else knows, what its authority is in time of peace. It was not established as a peacetime organization. As we all know, it was established as a wartime organization. I do not believe that merely because its name has been changed it has any authority whatsoever over peacetime housing.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. FULBRIGHT. I cannot cite the law, but it seems to me that under the War Powers Act the President, by Executive order, has given such power to the War Production Board.

Mr. CORDON. The War Production Board exercised that power throughout the war. It was the establishment of priorities by that Board which made it possible for war production to be conducted in an orderly manner, and to reach the heights which it reached during the war.

The War Production Board, as such, was substantially cut of business shortly after VJ-day. The President, by Executive proclamation, continued the authority of the Board under the name of "Civilian Production Administration." Personally, I did not have the opportunity to hear Mr. Small's testimony;

but, as I understand the present situation, the Civilian Production Administration is now functioning almost entirely in the field of allocation of building materials of various kinds, in the attempt to expedite the housing program in the United States. Very frankly, I am gravely doubtful as to whether it will succeed in that field.

I submit that we should do one of two things. We should either give the agency sufficient money to enable it to do the job, if it can be done, or else cut the appropriation off entirely.

At the present time the Civilian Production Administration requires, under its order, that all lumber sales be made for housing purposes, up to a certain major percentage of the lumber available at retail yards. It also requires certain set-asides at the production end of the lumber business. Sawmills are required at the present time to cut 40 percent of their cut in housing lumber. Again, I say frankly that I believe that order was ill-advised. I believe it will have to be changed. But the fact remains that this is the agency, and the only agency, so far as I know, which can change it. It is the agency which promulgated the order and the agency which has the authority to do it. It seems to me that the least we can do, if we are to maintain the agency in existence at all, is to give it sufficient personnel to do the last remaining part of its job in time of peace. I believe that it will require the amount allowed, \$1,500,000.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HAYDEN. As I understand the Senator, he has the facts the same as I have them. During the war the War Production Board was created and functioned. The War Production Board was not created by act of Congress.

Mr. CORDON. That is correct.

Mr. HAYDEN. The President created the War Production Board after several other agencies had tried to do the job; and that agency, under that name, allocated materials so as to facilitate the winning of the war. It allocated materials to the places where they were needed in order to win the war.

Then, by the same authority by which the President created the War Production Board, the war being over and the President being anxious that civilian production be resumed, by Executive order he changed the name from War Production Board to Civilian Production Administration.

Mr. CORDON. That is correct.

Mr. HAYDEN. I believe I am correct in stating that recently the President issued an Executive order with respect to the channeling of materials into housing.

Mr. WHERRY. Through this agency?

Mr. HAYDEN. Just a moment. I am asking my friend from Oregon a question.

I understood Mr. Wyatt to say the other day in an address which he delivered that two things were to be done. One was to put into effect immediately an Executive order of the President which would assist in channeling materials toward housing. The other was

the enactment of legislation authorizing certain appropriations to stimulate production.

Mr. CORDON. In the nature of subsidies.

Mr. HAYDEN. Yes. I have not seen the text of the order, but if I correctly understood Mr. Wyatt, the order had already been issued that day—this was 2 or 3 days ago—whereby the President directed that materials available in the United States which are now uncontrolled should again be placed under control and channeled into housing. Is that the Senator's understanding?

Mr. CORDON. That is my understanding.

Mr. HAYDEN. If that be the case, what other agency of Government can do the channeling except this agency?

Mr. CORDON. There is no other agency in existence, to my knowledge, in the Government establishment.

Mr. HAYDEN. Furthermore, when Mr. Wyatt was making this address I specifically asked him, "Do you have authority, or do you expect to have authority, to channel materials into housing?" He said, "No; I have no such authority, and I do not expect to have it. It would be utterly impossible for me to try to set up a new organization to do something which the Civilian Production Administration is perfectly capable of doing, and has had experience in doing over these many months."

Does the Senator understand that to be the situation?

Mr. CORDON. I am in accord with the Senator from Arizona in my understanding.

Mr. HAYDEN. Those are the facts, as I understand them to be.

Mr. AUSTIN. Mr. President, will the Senator yield to me?

Mr. McKELLAR. Mr. President, if the Senator from Vermont will pardon me, let me say that if there are any such facts I shall be delighted to have the Senator read the Executive order referred to and any other Executive order which provides for having the Civilian Production Administration take over housing or channel materials for housing, as the Senator calls it, or do anything else along those lines. The truth of the matter is that no law provides for that being done. The House of Representatives and some members of the Senate committee wish to appropriate \$1,500,000 to this defunct organization which the Senator from Arizona [Mr. HAYDEN] just said has done away with about nine-tenths of its employees, I believe, although it wishes, and is very anxious, to keep the rest of them, and believes it is the proper organization for this purpose.

Mr. President, something more than belief is required in order to establish an organization. In time of war it can be done by the President, under authority given by the Congress. In view of modern tendencies, it is remarkable that some persons still think—and I am one of those old-fashioned persons—that we have a Constitution and laws and that it is the duty of Congress to uphold the Constitution and to pass the laws in accordance with it. Of course, I know I am old-fashioned, perhaps even superan-

nuated. But I still believe in the Constitution which all of us swore to protect and defend. To my mind, it is unthinkable and unbelievable that the Congress should make this appropriation merely because some man who has not yet been appointed to office or whose nomination has not yet been confirmed or who has not yet been sworn in to serve in an office thinks this organization might help, and that the Congress should appropriate \$1,500,000 for it.

Mr. CORDON. Mr. President, let me inquire of the Senator from Tennessee what justification is there for making a \$750,000 appropriation, in view of the Senator's constitutional position. If the Civilian Production Administration has no legal standing, then by what right may the Congress appropriate \$750,000, rather than \$1,500,000? I cannot follow that line of thought.

Mr. McKELLAR. I am just as much opposed to the \$750,000 appropriation as I am to the \$1,500,000 appropriation. But the committee out-voted me.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. CORDON. I am glad to yield.

Mr. AUSTIN. Mr. President, I do not have before me a complete copy of the order creating the Civilian Production Administration, but there is enough of it here, I think, to settle the question whether there is authority for this organization to allocate the products of the United States. At page 533 of the most recently published Congressional Directory, the following appears:

The Civilian Production Administration was established within the Office for Emergency Management by Executive Order 9638 of October 4, 1945. The same order terminated the War Production Board, effective at the close of business November 3, 1945, and transferred its functions and powers to the Civilian Production Administration. The order provided that the functions and powers transferred shall "be utilized to further a swift and orderly transition from wartime production to a maximum"

Mr. McKELLAR. Mr. President, will the Senator pardon me for a moment? The Senator left out two or three words, although I know it was unintentional.

It should read:

The functions and powers transferred by this order shall, to the extent authorized by law—

And so forth. Does the Senator contend that there is a law providing for this?

Mr. AUSTIN. Yes, I do. Of course there is a law.

Mr. McKELLAR. What is the law which authorizes the appropriation of this money for the use of the Civilian Production Administration for the purpose of public housing?

Mr. AUSTIN. The law to which I refer, which is the foundation of the Executive order, is the First Emergency War Powers Act. I am not familiar with the language of the recent statute passed by the Congress enabling the President to terminate functions, transfer agencies, and so forth, but I am confident that that authority justifies this particular transfer.

Now I should like to continue, and I am not misquoting the order. All I am doing is reading what is contained in the Congressional Directory. I started the quotation definitely at the verb. I shall start the sentence again. The first part of it is not a quotation:

The order provided that the functions and powers transferred shall "be utilized to further a swift and orderly transition from wartime production to a maximum peacetime production in industry free from wartime Government controls, with due regard for the stability of prices and costs."

That is all that appears in the Congressional Directory, but that seems to me sufficient to determine the question whether this authority was transferred to that agency. That does not indicate at all which way I intend to vote on this question, but I am satisfied that the Civilian Production Administration has as one of its functions the matter of making such allocation of the products of our fields, forests, and factories as will expedite and attain the maximum degree of orderly and swift transition from wartime to peacetime production.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. CORDON. I ask the Senator to pardon me for one moment. First I desire to express my appreciation to the Senator from Vermont for his contribution.

Now I am pleased to yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, of course, I did not intend to say that the Senator from Vermont had misread the language in any manner, shape, or form at all. I know the Senator from Vermont too well to think that he would do that. But I happened to have a copy of the Executive order in my hand. It reads in this way:

3. The functions and powers transferred by this order shall, to the extent authorized by law—

We still think of a law, I believe, as an order or authority or statute passed by the Congress and signed by the President—

be utilized to further a swift and orderly transition from wartime production to a maximum peacetime production in industry free from wartime governmental controls—

Mr. President, if there ever was governmental authority over the products in question it exists right now. This order seems to refer to something else—with due regard for the stability of prices and costs.

I am not sure whether that refers to the question we have in mind. At any rate, regardless of whether the order refers to it, the administration headed by Mr. Small—the so-called Civilian Production Administration—went before the House committee and persuaded it to recommend an appropriation of \$1,500,000, and the House of Representatives voted that appropriation—for what? Mr. Small and the witnesses with him said the House did it for the purpose of expediting the handling of housing, for which Mr. Wyatt is the administrator. When Mr. Wyatt was asked about it—and this is my recollec-

tion of what he said, as stated in the newspapers; I do not think he said it in the committee—his position was that he wanted any sort of help, and, of course, if the Congress gave \$1,500,000 to a wartime control agency, such as the War Production Board, to enable it to keep a number of employees in office and to make it possible to pay salaries to them, that was all right with him.

Mr. President, I do not think it is right, and I hope the Senate will vote it down.

Mr. CORDON. Mr. President, again I thank the Senator from Tennessee for his contribution.

In closing, let me say that the Civilian Production Administration has the same legal standing that the War Production Board had, due to the fact that, regardless of declarations to the contrary, we are still in the war period. Let me say that I have grave doubts as to whether the President will be able to get the housing job done by following the plan he has enunciated. However, that is the plan. Orders channeling materials required for housing and giving priorities for the use of lumber for other purposes have been issued. The only agency which now is in a position to require performance is the Civilian Production Administration. If we are going to operate in the housing field at all, that agency should have an opportunity to function. Otherwise I feel that we should eliminate the appropriation entirely and thereby do away completely with the agency. In view of the fact that the remainder of the program is on its way, I prefer to see a fair opportunity given for the achievement of success in that field, and I hope that the committee amendment will be rejected and that the amount will be left at \$1,500,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, on page 3, line 9, to strike out "\$1,500,000" and insert "\$750,000." [Putting the question.] The Chair is in doubt.

Mr. AIKEN. I ask for a division.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

Mr. HAYDEN. Let us first have a division.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Myers
Austin	Hart	O'Mahoney
Bailey	Hawkes	Overton
Ball	Hayden	Pepper
Bankhead	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Bilbo	Hoey	Revercomb
Brewster	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capper	McCarran	Taft
Carville	McClellan	Thomas, Okla.
Chavez	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Ellender	Maybank	Vandenberg
Ferguson	Mead	Walsh
Fulbright	Millikin	Wheeler
George	Mitchell	Wherry
Gerry	Moore	Willis
Gossett	Morse	Wilson
Green	Murdock	Young

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment on page 3, line 9.

Mr. McKELLAR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I desire to add a word or two in support of the position which has been taken by the distinguished Senator from Arizona.

The decision in the committee to reduce the appropriation from \$1,500,000 to \$750,000 was made by a vote of 11 to 9. In other words, there was a substantial minority in the committee who believed that the Civilian Production Administration should not be deprived of the amount which the House had allowed. I do not recall whether or not the Senator from Arizona pointed it out, but—

Mr. McKELLAR. Mr. President, I may say that the Senator is correct in the figures which he has given.

Mr. O'MAHONEY. Yes. The Bureau of the Budget sent a recommendation to the Congress, as I recall, for \$1,700,000, or \$1,750,000. The House committee reduced the Budget Bureau's recommendation to \$1,500,000.

It seems to me that the issue before the Senate is a perfectly simple one. By practically unanimous action Congress recently continued the Second War Powers Act until the 30th of June 1946, in the belief it was absolutely essential, in the interest of reconversion, that authority such as that which is exercised by the Civilian Production Administration should be preserved until at least the 30th of June. There was a substantial opinion in the Senate and in the House that those powers should have been extended for a year. But, by a narrow margin of one majority the Senate decided against a year's extension and granted only a 6-month extension.

Mr. President, the point I make, however, is this: The extension was legislatively granted for 6 months, that is to say, until the 30th of June. In its legislative capacity Congress said in effect, "We need to exercise these controls until at least the 30th of June." The appropriation, which was recommended by the Bureau of the Budget and passed by the House, was an appropriation to implement that legislative decision. How important it is that we should exercise control is illustrated by the crisis existing in connection with housing, and in connection with the shortage of lumber.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McKELLAR. After VE-day and after VJ-day the President asked the various departments to make calculations and ascertain how much they would need to perform the work assigned to them on a peacetime basis, because we did not expect any more war between then and, at least, next July. Those departments were asked to make their estimates and send in their recommendations.

This organization made that examination and reported to the President of

the United States that it needed so many employees, and that it would need so much money. The remainder of the appropriation was rescinded by a bill which was signed only a few days ago. Congress passed that bill. So Congress has acted upon the report of this organization. Later the housing situation became acute, with the result that the organization of the old WPB, now the Civilian Production Administration, re-examined its report, and concluded to request the money necessary to help the new Housing Administrator to carry out his work. I do not mean that the CPA has been authorized by anybody to do the Housing Director's work, but the Housing Director says, in a published interview, I believe, that it would be all right with him. I do not know what else he could have said under the circumstances. Certainly it is the desire of a portion of our committee to reappropriate some money in order that that might be done. That is the whole question.

In my judgment, we cannot pay too much attention to the CPA, for the reason that it has already operated in this matter twice. It certainly made a mistake the first time, according to its own admission, and I think it made a worse mistake the second time.

Mr. O'MAHONEY. Mr. President, I think the Senator does an injustice to the Civilian Production Administration when he says it made a mistake. If a mistake was made, it was the mistake of repealing too soon controls which our civilian economy did not admit of being released.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HAYDEN. I wish to quote again from Mr. CANNON, the chairman of the House committee. He said:

Due to the change in the economic situation and the delay in the reconversion program, it is necessary now to continue many of its activities—

That is, the activities of this agency—to insure an adequate supply of materials and facilitate their distribution. So, out of the \$10,000,000 we took away from them under the assumption that their activities could shortly be dispensed with, we here provide for the return of \$1,500,000. I think no one will question the importance of continuing these essential activities until war conditions are more fully alleviated and the reconversion program is further advanced.

Mr. O'MAHONEY. I thank the Senator. That is precisely what the situation is as it has appeared to me from the evidence before the Committee on the Judiciary and the evidence before the Committee on Appropriations.

The fact is that the wartime controls were released with such speed and to such an extent that many small businesses in the country are unable, without the assistance of CPA, to obtain the supplies which they need to continue in business. It is a protection of little business in this country to grant this appropriation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. I suppose we are all familiar with the shortage in lumber—a commodity which is very essential in connection with the housing program which we are seeking to inaugurate. There is not only a shortage of lumber but of many other commodities.

I happened to have called to my attention very recently a situation existing with reference to the supply of a certain cloth out of which men's suits are made. There was a supply on hand in the whole country of 5,000,000 yards. There were requests for 20,000,000 yards. Obviously, unless there were some control of the distribution of the 5,000,000 yards among all those who wanted 20,000,000 yards, the large concerns which were able to rush in and buy, and even probably bid up prices, would have gotten all of the 5,000,000 yards, whereas the Civilian Production Administration allocated that yardage among manufacturers of men's clothing in the United States, so that the small manufacturer in the small town got his proportionate share of the goods, and was able to proceed to make clothes for men. Would the reduction in this appropriation cripple that sort of an operation on the part of the Civilian Production Administration?

Mr. O'MAHONEY. It most certainly would because it would make it impossible for the Civilian Production Administration to maintain the personnel necessary to make these allocations effective.

Mr. BARKLEY. There may be many other commodities which are in the same situation, but I happen to know about this one because a plant which operates in my old congressional district, and within 25 miles of my home, is the one which was making application for some of these goods, and it was necessary that the Civilian Production Administration take charge of the allocation of the goods; otherwise that little plant probably would have been denied any at all, and it might have been compelled to close its doors, and for the time being stop the manufacture of the suits it was producing.

If the personnel for which the appropriation is asked is needed for a thing of that sort, and in many other lines of business which it is easy for us to imagine, it seems to me that in the interest of the small manufacturer, the small businessman, and in the interest of fair distribution of whatever is available among those who demand it, we should not cripple the staffing of this agency, which probably has found that we lifted some of the controls a little bit too soon, and some of them have to be reinstated.

Mr. O'MAHONEY. My recollection is, I will say to the Senator, that evidence in the hearings before the Committee on the Judiciary on the extension of the War Powers Act show that out of some 4,000-plus orders and controls which were in effect on VJ-day in various agencies, less than 300 remain outstanding. In other words, the Civilian Production Administration has demonstrated by its action its desire to remove the controls as rapidly as possible, and, as has been pointed out by the reports of the chair-

man of the House Committee on Appropriations, just read by the distinguished Senator from Arizona, \$10,000,000 was surrendered by CPA of an appropriation that was available to it, and here we are restoring to it only a million and a half of the ten million which was taken away, because since that action it has become clear that we must maintain this agency in partial activity.

Mr. BARKLEY. In other words, we were all in a hurry to lift the controls; we were impatient to get rid of them, and the chances are, as we look back now, that we realize that we were so anxious to do it that we went too far, and now have to back up a little. That is probably what has happened with respect to CPA.

Mr. O'MAHONEY. My position is simply that we should not, by withdrawing \$750,000 of this appropriation, risk the crippling of this agency in the performance of an essential work in the interest of our economy.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 3, line 9.

Mr. REVERCOMB. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. As I understand, a vote "yea" is a vote for \$750,000, and a vote "nay" is a vote for a million and a half.

The PRESIDING OFFICER. The Senator is correct.

Mr. OVERTON. Mr. President, we all talk about economy; we return to our homes and talk to our constituents and say we are in favor of economy, that too much money is being spent, that the budget should be balanced, that something should be done and that we are going back to Congress and do it, but when we are confronted face to face with an issue of economy we generally vote against economy and in favor of the continuance of a spending program.

As a member of the Committee on Appropriations, I find it very difficult to bring about a reduction in the appropriations for any agency. The only witnesses who appear before us represent the department or agency concerned. We hear their statements and we undertake to analyze them as best we can. Their statements, however, are ex parte statements and they are altogether in favor of a continuance of a spending program in behalf of the particular agency or department. We listen to what representatives of the agencies have to say and we find out, so far as the testimony before us goes, that it will be not only almost ruinous to the agency but will be very detrimental to the Government and its functioning if we should reduce an appropriation. They say they need all the employees they now have, and they need more besides, and they must spend money for this and they must spend money for that.

This particular agency, the Civilian Production Administration, came before us when we had under consideration the rescission bill, and they submitted, I suppose under the direction of the Bureau of the Budget and the President, a pro-

gram of restricted spending, a program of economy. We had gotten away from the War Production Board and all the activities in which that Board was engaged, and continued in a very limited way some of its activities under the name of the Civilian Production Administration. So the rescission was made. That bill has just become law. But no sooner did it become law than representatives of the Civilian Production Administration came knocking at our door and said, No; that is all wrong. We cannot enter on any program of economy as contemplated. We need \$1,500,000 more." Their statement was that they could not undertake further to reduce their personnel. They are still to keep every employee they have on their pay roll until the end of the present fiscal year.

Mr. President, I do not believe that is right, and when we analyze the situation it will be found that it is not right. The Civilian Production Administration can perform its limited functions, which have to do with the funneling of material, with the personnel they now have under the existing appropriation. It is not necessary to proceed to pour \$1,500,000 or \$1,750,000 more into it. As a matter of fact, I took the position in the committee that the agency should not have any further appropriation, and I think I was right. I think it can function under the present appropriation, under the money left to it after the rescission knife was applied to that item.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. McKELLAR. The Senator will recall that Mr. Small testified, and in answer to a question I asked him as to whether they could get along with a small amount, he said:

What is the use. We will be coming back to you immediately for more.

The Senator recalls that statement very well, does he not?

Mr. OVERTON. He said that even if he were given the total appropriation he would be coming back for more. We shall not get rid of this agency so long as we supply it with the funds to keep up its personnel and maintain it in operation.

Mr. McKELLAR. If the Senator will permit me, I will read Mr. Small's statement which appears on page 32 of the hearings. The Senator remembers he was asking for \$1,700,000, and not for the \$1,500,000 appropriated by the House. He said:

In the event this additional \$1,700,000 is not approved, it will be necessary to terminate all employees, except approximately 400, to be effective April 15, 1946, in order that payment may be made of accrued annual leave and other liquidation costs during the current fiscal year.

I call the attention of the Senator to that testimony by Mr. Small because the whole question is sewed up in that one statement. What they are going to do if we do not grant this appropriation they ask is to cut down the number of the employees of the Government. The War Production Board had already cut off a great many of its employees and certified that fact to the Congress and to

the President. Yet Mr. Small bobs up serenely when he comes to the point where he must cut off the employees because of the lack of money, and says "We will have to have more money or we will have to cut down the number of employees." That is the whole question. If the Senate of the United States feels that all our wartime employees should be retained this is the way to do it. The way the various departments and agencies of the Government have undertaken to do it is to hold onto their employees all along the line. If we want to do that, Senators, I can stand it as well as can anybody else. I do not know what other Senators will do; But I hope they will not approve such action.

Mr. OVERTON. I agree with the Senator from Tennessee that if Senators do not back up the Appropriations Committee in trying to economize we shall have to abandon the whole idea of economizing. Let us consider the housing situation. Many Government agencies are concerning themselves with the matter of housing. Housing is something which should be under one control. But we have the National Housing Administration, the FHA, and we have the new Wyatt administration. We have the Civilian Production Administration that is moving into the field with all its present force, and with an application for an increased force. When any particular subject, such as the subject of veterans, becomes popular, different agencies of Government jump in and try to take charge of it. Various agencies say, "We want to do this or do that to aid the veterans." That subject was before the Appropriations Committee for a long time. Now the subject of housing has become popular, and many governmental agencies want to get into the housing field, so they can ask for more money.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. We have a bill before the Banking and Currency Committee now, upon which we have been holding daily hearings, which would place the entire housing program of the Government under one agency.

Mr. OVERTON. I am glad of that, Mr. President, and I shall support an appropriation for that agency.

Mr. McKELLAR. I am delighted to hear it.

Mr. OVERTON. But I am not willing to distribute the funds of our Government among Tom, Dick, and Harry agencies which are simply trying to survive and to continue functioning.

Mr. McKELLAR. Mr. President, will the Senator from Louisiana yield to me so I may ask the Senator from Kentucky a question?

Mr. OVERTON. I yield.

Mr. McKELLAR. The Senator from Kentucky, who is a very able and distinguished member of the Banking and Currency Committee which has the subject of the housing program in charge, serves with distinction on that committee, as well as on other committees. This is the last day but one of February. Does the Senator expect that bill to become law before June?

Mr. BARKLEY. I will say to the Senator that the committee held exhaustive hearings upon the bill. It is now in the hands of a subcommittee which I think will complete its work tomorrow. We hope to be able to report the bill to the full committee perhaps on Friday, certainly early next week, and to report the bill and get it on the floor of the Senate and consider it in the very near future.

Mr. OVERTON. I hope that bill will be reported by the committee. I think it will not only be a step in the right direction, but that it is a necessary step to take in connection with the problem. The matter of housing should be under one control.

Mr. BARKLEY. The Senator will find that the legislation which is under consideration is comprehensive, and I might say complicated, too, because it is an effort to coordinate and unite all the housing agencies under one head, and when we start in to do that we find it is not an easy matter.

Mr. McKELLAR. Mr. President, I am happy to agree with that proposal. But think for a moment of what we are doing. The proper committee is undertaking to hear and to determine what sort of housing bill should be reported. In the meantime the head of a war agency which is still in existence says that those who are in the agency will lose their salaries if the agency is not continued. Without waiting for the Committee on Banking and Currency to act it is now proposed in the Senate to appropriate one and a half million dollars for this agency whether it ever gets to work or not; and I doubt very much whether it will get to work before the first of July. I doubt it exceedingly; I doubt it even more than exceedingly. If I were a betting man I would bet that between now and the first of July there would not be anything done by this housing agency.

Mr. OVERTON. Mr. President, I desire to ask the Senator from Kentucky a question. In the consideration of the legislation pending before the Committee on Banking and Currency is it proposed to set up another agency than the Civilian Production Administration to channel the material?

Mr. BARKLEY. No; we are not dealing with the allocation of civilian goods. We are dealing with the problem of constructing houses and encouraging the construction of houses on the part of private capital in cities and communities under a coordinated plan. But the distribution and allocation of materials of all kinds, of course, cannot be taken over by a housing administration.

Mr. HAYDEN. Mr. President, during Mr. Small's testimony the Senator from Tennessee read from the House Report on the reasons why additional appropriation is necessary, as follows:

During the past 90 days, labor-management difficulties have increasingly retarded the reconversion program.

If reconversion is retarded, the allocation of materials must be changed.

Shortages have continued far beyond the time when it was believed they would be eased for practically all purposes.

Mr. Small did not say, and there is nothing in the record to show that he

would have to have more money unless a large housing program were adopted; and if it were, the number of employees now in that agency could not do the work. There would have to be more employees, and an additional appropriation.

I have found no one who knows anything about the situation who has proposed to establish a new agency to wipe out the present one. We should do one of two things. The Senator from Louisiana [Mr. OVERTON] is absolutely correct. Either we should appropriate no money at all or we should give the agency sufficient money to enable it to do the job. If we do not appropriate anything, on the first of April this agency will discharge down to 400 employees, and the 400 employees will be used to bundle up the papers, the agency will go out of business, and there will be no one to do the work. There will be no agency to do any channeling.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McFARLAND. I have been trying today to obtain the floor. I wish to submit certain amendments to the housing bill which has been mentioned, and I intend to submit them.

This appropriation will not be a drop in the bucket compared with the housing bill if it is adopted in the form it has been introduced, and is not amended. That bill would make permanent all these war agencies. So I hope Senators will not commit themselves on all features of the bill. It has some good features. I wish to offer some amendments which will avoid making all the war agencies permanent. I hope the Senator from Tennessee [Mr. McKellar] and other Senators will not commit themselves too soon on all the features of that bill. It does have good features. We can adopt this little appropriation, and it will not be a drop in the bucket.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 3, at the beginning of line 9, to strike out "\$1,500,000" and insert "\$750,000." On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Utah [Mr. THOMAS]. I am informed that if he were present he would vote "nay." If I were at liberty to vote I should vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr.

O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

The Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. HATCH], and the Senator from Montana [Mr. WHEELER] are detained at important committee meetings.

On this question the Senator from New Mexico [Mr. HATCH] has a general pair with the Senator from Maine [Mr. WHITE].

If present and voting, the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Kansas [Mr. REED], who is detained on official business, has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from Maine [Mr. WHITE], who is detained in important committee hearings, has a general pair with the Senator from New Mexico [Mr. HATCH].

The Senator from Wisconsin [Mr. WILEY] has been excused. He is absent on official business.

The Senator from California [Mr. KNOWLAND] is detained on official business.

The result was announced—yeas 44, nays 30, as follows:

YEAS—44

Bailey	Hart	Revercomb
Ball	Hawkes	Robertson
Bilbo	Hickenlooper	Saltonstall
Brewster	Hoey	Shipstead
Briggs	Huffman	Smith
Buck	Johnson, Colo.	Stanfill
Butler	Johnston, S. C.	Stewart
Byrd	McCarran	Thomas, Okla.
Capper	McClellan	Tydings
Donnell	McKellar	Vandenberg
Ellender	Maybank	Wherry
Ferguson	Millikin	Willis
George	Moore	Wilson
Gerry	Overtan	Young
Gossett	Radcliffe	

NAYS—30

Aiken	Hayden	Morse
Austin	Hill	Murdock
Barkley	Kilgore	Myers
Carville	La Follette	O'Mahoney
Chavez	Langer	Pepper
Cordon	McFarland	Russell
Downey	McMahon	Taft
Fulbright	Magnuson	Tobey
Green	Mead	Tunnell
Gurney	Mitchell	Walsh

NOT VOTING—22

Andrews	Glass	Taylor
Bankhead	Guffey	Thomas, Utah
Bridges	Hatch	Wagner
Brooks	Knowland	Wheeler
Bushfield	Lucas	White
Capehart	Murray	Wiley
Connally	O'Daniel	
Eastland	Reed	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 3, in line 9, to strike out "and the amount available for printing and binding is hereby decreased from '\$648,000' to '\$398,000'" and insert "and the amount available for printing and binding fixed at \$346,000 by the First Supplemental Surplus Appropriation Rescission Act, 1946, is hereby increased to \$372,000."

The amendment was agreed to.

Mr. LANGER. Mr. President, I should like to have an explanation as to why the amount is increased from \$346,000 to \$372,000.

Mr. McKELLAR. We cut the figures in the second item so as to make them accord with those in the first item. We cut the first item, and the second one is changed merely so as to accord with them; that is all.

Mr. LANGER. Very well.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Office of Price Administration," on page 4, line 2, after the numerals "1946," to strike out "\$1,854,000" and insert "\$927,000."

Mr. HAYDEN. Mr. President, I wish to be heard in opposition to the amendment. I think the committee made a mistake in voting to cut in half the appropriation for the Office of Price Administration. If we are to have any kind of controls over prices during the remainder of this fiscal year, the amount of the Budget estimate will be necessary if the work is to be done. This amendment is another one in regard to which the committee was very closely divided. I think the Senate should exercise a sober second thought in regard to it.

If it is desired to sabotage the OPA, if it is desired to ruin the OPA, the simplest way to do it is to cut off the money. But that is not my way of carrying out a law enacted by Congress.

Yesterday the Senator from Wisconsin [Mr. WILEY] directed attention to a full-page editorial published in the Washington Post, entitled "The President's Wage-Price Policy Won't Work." The advertisement, inserted by the McGraw-Hill Co., contains several very significant paragraphs which I think deserve the attention of the Senate. Perhaps the company is correct in its view. Perhaps its opinion as to the OPA is correct, namely, that it will not work. It makes specific suggestions as to what we may do by amending the law so as to provide for a program that will work. But all agree—and the sentiment is expressed in the advertisement in the strongest kind of language—that with no control at all we are bound to have wild inflation. No one favors that.

Under such circumstances, it seems to me it would be a very grave mistake upon the part of Congress not to allow the amount of money estimated by the Bureau of the Budget as necessary. This item was thoroughly debated in the

House of Representatives; and on a motion to strike it out there was a record vote, and the House, by a majority of 77 votes, fixed this amount of money as the proper sum needed to carry on the work of the OPA from now until the 1st of July.

Between now and the 1st of July we shall have to pass a bill extending the life of the OPA. If we follow the suggestions made by the McGraw-Hill Co., and other suggestions of a similar nature, we can lay down standards by which to tell the OPA how to operate so as to make the needed corrections.

But the OPA cannot operate without money. If the committee reports a bill providing for such standards, and if the bill becomes the law, those standards will immediately go into effect. But if we cut off the money now, we shall not have an effective OPA.

I simply cannot follow the idea of cutting off the money. In the committee it was asserted that about half of the increase would go for enforcement. I wish to know if any Senator is willing to stand up on the floor of the Senate and say that the reason why the sum of money should be cut in half is that we wish to reduce the number of officers available to enforce the OPA law and regulations. If we are not to have anyone to do the enforcement, then why have an OPA at all? I can agree with Members of the Senate that the methods of enforcement and the kind of enforcement officers should be changed in accordance with the law, but I will not say that it is a sound or wise policy on the part of anyone to vote to have no OPA enforcement at all, which will be the result if the pending amendment is adopted.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. HICKENLOOPER. In response to the Senator's invitation, I will say exactly that. In the Federal Government there is no more sprawling agency, no more inefficient agency, no more stupid agency than the OPA. The OPA has had some 60,000 paid employees who are inflicting regulations covering minute details against a law-abiding public which is attempting to cooperate in respect to enforcement of the law. I think it is high time that we reduce the amount of surplus money which the OPA has the power to use to inflict such procedures on the public, and I think the OPA should establish some sensible and proper rules for the control of prices which will stimulate production in this country. I think the amount of money which the OPA has been voted by the committee is ample for the purposes of the OPA, and that it can thereby obtain some efficiency.

Mr. HAYDEN. Mr. President, let me ask the Senator whether he is in favor of extending the life of the OPA at all.

Mr. HICKENLOOPER. I am in favor of price control during wartime, and I hope I can be in favor of a sensible and businesslike control of our economy during the emergency period following the war.

Mr. HAYDEN. Does the Senator think the Congress is capable of passing a bill to provide for that kind of control?

Mr. HICKENLOOPER. I think the Congress has failed to enact such a statute, in view of the law which was passed, together with the interpretations made by the courts in sustaining the OPA.

Mr. HAYDEN. Then it is the fault of Congress.

Mr. HICKENLOOPER. Very well. If Congress does not meet that issue and correct the OPA's sabotage practices, there will not be any reconversion in this country to the extent that is needed, and inflation will not be stopped, and our national economy will continue in the doldrums.

Mr. HAYDEN. Then the logic of the Senator's argument is that we should not have any OPA, and for that reason under present circumstances the Senator does not wish to appropriate sufficient money to enable the OPA to function.

Mr. BALL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BALL. The cut made by the committee would still leave the OPA with 4,379-plus employees for enforcement. That would not exactly strip the OPA of all enforcement officers.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. OVERTON. I simply wish to state that, without this appropriation, the OPA has over \$28,000,000 for its operations up to the end of the present fiscal year. Now the OPA is asking for an additional \$1,854,000. The amendment would give the OPA \$927,000, which is exactly \$927,000 too much.

Mr. HAYDEN. There again the Senator takes the point of view that we do not need any enforcement and should not have an OPA.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. The Senator from Louisiana does not mean that those who are in favor of the committee amendment do not wish to have law enforcement.

Mr. HAYDEN. The law cannot be enforced unless someone is employed to see that it is enforced.

Mr. WHERRY. But the Senator from Arizona said that if the Senate should adopt the committee amendment it would sabotage the OPA, and that then there would be no law enforcement under the Emergency Price Control Act. As the distinguished Senator from Louisiana [Mr. OVERTON] and the distinguished Senator from Minnesota [Mr. BALL] have pointed out, the OPA has \$26,000,000 or \$28,000,000 for its use until the end of June of the present fiscal year, and even if the proposed cut is made the OPA will still have approximately 4,000 or 4,500 employees for enforcement purposes. The OPA argued that approximately one-half of the appropriation was for the purpose of obtaining additional law-enforcement officers. The facts reveal that at the period of high tide in OPA operations, in July 1945, the OPA had approximately 6,000 enforcement officers.

Mr. HAYDEN. And even then it did not have a sufficient number.

Mr. WHERRY. Whether it had a sufficient number to satisfy the Senator from Arizona is not the question.

The statement I made is that at the peak of wartime enforcement of controls, the OPA had 6,000 enforcement officers.

If we cut down this appropriation, there will still remain more than 4,000 officers to continue enforcement of the OPA law and regulations, and we would cut the personnel of the OPA by nearly 50 percent, clear through the list. So we would not be taking away as many enforcement officers as we would be taking away other employees.

The committee voted to grant one-half of the appropriation requested because the OPA wished to have more personnel for pre-ticketing of construction materials for housing. One-half of the appropriation will meet the OPA's requirements.

What the committee did not do was to agree to vote for the appropriation of \$1,854,000 to enable the OPA to have more enforcement officers to operate as a gestapo and to institute lawsuits causing trouble throughout our land.

In connection with this point, I should like to refer to the remarks made in the Senate yesterday by the Senator from Illinois [Mr. LUCAS]. I ask Senators to begin to read the CONGRESSIONAL RECORD, at page 1602, and see what the Senator from Illinois said at that time. To insert his statement in the RECORD would be to duplicate unnecessarily a great deal of printing. Many Senators heard his speech. He said, in effect: "In Illinois we have a gestapo." "A gestapo" is what the Senator from Illinois said. He said, "We must stop this kind of browbeating tactics of enforcing the law against little retailers and food distributors who are not willfully violating any law whatever."

Mr. HAYDEN. Mr. President, I should like to make a statement in my own time. The Senator from Illinois made the speech to which the Senator has referred. After he had finished making his speech I asked him what he was going to do about this appropriation, and he said he would vote for the full appropriation. He said in effect, "I do not want it to be said that after making the charges which I have made against the Office of Price Administration I would take money away from it which is needed to inaugurate proper reforms which I am advocating."

Mr. WHERRY. The fact nevertheless is that the statement which the Senator from Illinois made yesterday was, in effect, against the gestapo practices of the OPA. The OPA are attempting enforcement by what I call unethical methods. They are enforcing regulations against American grocers and merchants who are as fine a class of individuals as can be found anywhere. According to the testimony which was adduced before the committee, in the majority of cases of alleged violation which have been prosecuted, there had been no willful violation of the law. It is unfair for the distinguished Senator from Arizona to make the statement on the floor of the Senate this afternoon that because those of us who believe in economy and do not believe in the type

of law enforcement which has been carried on by the OPA, and are willing to vote for the committee amendment, are trying to sabotage the enforcement program of the OPA. I am as anxious to have the law enforced against willful violators as is the Senator from Arizona, or any other Member of this body, but the Senator must remember that there are still more than 4,000 employees on the OPA pay roll, and that the OPA still has \$28,000,000 with which to carry on its program until next June. We are not trying to sabotage the OPA. We are trying to have inaugurated a constructive program of enforcement, and the OPA has plenty of officers to enforce the law with the funds which it now has.

Mr. HAYDEN. Mr. President, in my own time I assert that I totally and utterly disagree with the Senator.

Mr. WHERRY. The Senator has a right to disagree with me, and to make any statement which he chooses to make; but it is not fair to state that those who believe in a constructive law enforcement program are trying to sabotage the law.

Mr. AIKEN. Mr. President, I inquire of the Senator from Arizona if the amount approved by the House is the amount which was requested by the Bureau of the Budget?

Mr. HAYDEN. It is. The House debated the question just as we are debating it here. By a ye-and-nay vote in the House the amount of money as shown in the House bill was argued to by a majority of 77.

My honest belief with reference to the OPA has been from the beginning that Congress has been niggardly in its appropriations. In many instances we have not had the kind of enforcement which we have wished for, because insufficient funds have been appropriated by Congress. I feel exactly as does the Senator from Nebraska with respect to some of the OPA officials who have gone about harassing persons. I think it would be better to place OPA enforcement in the hands of United States district attorneys than in the hands of civil-service employees with no background of experience. Congress can write a law, but the suggestion that a bad Federal administrative situation can be cured merely by reducing the number of employees engaged in doing the work required by the act, to my way of thinking, is not tenable.

Mr. WHERRY. Mr. President, there is one more thing which I should like to say. In the testimony of witnesses who had been persecuted by gestapo methods of the OPA it was shown almost entirely that the witnesses blamed Congress for the gestapo methods which were being used. I think it is time for the Congress to make clear and plain that it does not sanction such type of law enforcement. I think the record should show that such methods were conceived in the enforcement division of the OPA, and that they do not have the sanction of Congress.

Mr. HAYDEN. When the time comes again to extend the life of OPA I shall be willing to cooperate with the Senator from Nebraska in writing a law to prevent the things being done about which

he has complained. But in the meantime, believing as I do that the responsibility is on the Congress, I am not willing to have it said that the reason for lack of enforcement is that Congress is so niggardly it will not appropriate the money necessary in order properly to do the job.

Mr. BRIDGES. Mr. President, the Senator from Arizona speaks about Congress being niggardly. I think that is the most absurd statement I have heard. Congress has not been niggardly in appropriating money for the OPA, or for any other Federal agency. Congress has been far too liberal. If we start now to cut down a few appropriations it will be in accordance with good common sense.

Mr. McKELLAR. Mr. President, I am afraid we will not reach a vote this afternoon.

Mr. WHERRY. Oh, let us vote on the amendment. Let the other amendment go over until tomorrow.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, line 2, to strike out "\$1,854,000" and insert "\$927,000."

Mr. MAYBANK. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BALL. Mr. President, before a vote is taken on the committee amendment I wish to point out that in addition to an appropriation of \$1,854,000 the OPA wishes to add by July 1, 2,881 more employees than it had planned to have on that date; 53 of those employees are to be added to the OPA's information department, resulting in that department having 487 employees in carrying on its propaganda program. One hundred and fifty-five employees would be added to accounting. One thousand, five hundred and eighty-five employees would be added to enforcement. That would make a total of 5,964 employees in enforcement as compared with 6,022 on July 1, 1945, when OPA's task was at its peak, and when it was rationing meat, vegetables, and nearly everything else. It now has only one rationing program, namely that of sugar. There would be added only 538 employees to the Price Division, and 550 in the Rent Division. Under the reduction proposed by the committee, the OPA would be enabled to more than take care of the additions to their staff.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 4, line 2, which will be stated.

The CHIEF CLERK. On page 4, line 2, under the subhead "Office of Price Administration", after the numerals "1946," it is proposed to strike out "\$1,854,000", and insert "\$927,000."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS]. If he were present he would vote "nay." If I were permitted to vote I should vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Maryland [Mr. TYDINGS], and the Senator from Massachusetts [Mr. WALSH] are detained at an important committee meeting.

The Senator from Nevada [Mr. McCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Montana [Mr. WHEELER] are absent on official business at various Government departments.

If present and voting, the Senator from Louisiana [Mr. ELLENDER], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] would vote "nay."

If present and voting the Senator from Nevada [Mr. McCARRAN] and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Kansas [Mr. REED], who is detained on official business, has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from Wisconsin [Mr. WILEY] has been excused. He is absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. TOBEY] are detained in an important committee meeting.

The result was announced—yeas 45, nays 25, as follows:

YEAS—45

Austin	Buck	Carville
Bailey	Bushfield	Cordon
Ball	Butler	Donnell
Bilbo	Byrd	Ferguson
Briggs	Capper	George

Gerry	McMahon	Stanfill
Gurney	Maybank	Stewart
Hart	Millikin	Taft
Hawkes	Moore	Thomas, Okla.
Hickenlooper	Overton	Vandenberg
Hoey	Radcliffe	Wherry
Johnston, S. C.	Revercomb	White
Langer	Robertson	Willis
McClellan	Shipstead	Wilson
McKellar	Smith	Young

NAYS—25

Alken	Hayden	Mead
Bankhead	Hill	Mitchell
Barkley	Huffman	Morse
Chavez	Johnson, Colo.	Murdoch
Downey	Kilgore	Myers
Fulbright	Knowland	Pepper
Gossett	La Follette	Tunnell
Green	McFarland	
Hatch	Magnuson	

NOT VOTING—26

Andrews	Guffey	Taylor
Brewster	Lucas	Thomas, Utah
Bridges	McCarran	Tobey
Brooks	Murray	Tydings
Capehart	O Daniel	Wagner
Connally	O Mahoney	Walsh
Eastland	Reed	Wheeler
Ellender	Russell	Wiley
Glass	Saltonstall	

So the amendment was agreed to.

NATIONAL HOUSING POLICY

Mr. MCFARLAND. Mr. President, is it the intention of the majority leader to finish the consideration of the appropriation bill this evening?

Mr. BARKLEY. No.

Mr. MCFARLAND. When will we adjourn to?

Mr. BARKLEY. I propose to ask that we go over until Friday.

Mr. MCFARLAND. I desire to detain the Senate for but a few minutes, but I wish to ask unanimous consent to have printed and referred to the Committee on Banking and Currency two amendments which I expect to offer to Senate bill 1592. I also ask that the amendments be printed following my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MCFARLAND. Mr. President, that this country faces a crisis in housing is clearly evident to all who know anything of the problem. A 5-year moratorium in the building of dwelling units coupled with an increase in population, the return of millions of our soldiers and sailors who desire to establish homes, and a shortage of building materials, all combine to produce this critical situation.

Something must be done to alleviate this condition. None of us can be indifferent to its importance to the Nation both from a social and an economic standpoint. There is no need to recite platitudes. The home is the foundation stone of family life; ownership or occupation of a decent home is essential to the growth of a strong democracy. There is an intimate relationship between the quality of the place where men and women live and the sense of responsibility that they, as citizens, will have. There can be little argument that clean, wholesome, and sanitary housing facilities and a clean, decent, and happy environment have a direct bearing on the amount of disease and crime in any community.

Not everyone can own a home, but to the degree that home ownership can be increased will we have increased the strength and stability of our democratic

institutions. Home ownership brings a sense of responsibility to the individual which makes him a better citizen, alertly interested in the economic and financial policies of his Government.

For this reason, if for no other, the pending Wagner-Ellender-Taft housing bill is deserving of our most intelligent and serious consideration. It broadens present law in the direction of making possible a far larger percentage of individual home-ownership in this country. That is all to the good.

But, Mr. President, though the objective is good, the method may carry with it grave dangers for our economy—and even for our form of government. I refer, of course, to the plan for so-called national housing; in short, to the idea of federally promoted housing, to the idea of putting the Federal Government into the housing business.

Mr. President, we have grown accustomed in these recent years to call on the Federal Government far too much. I am not criticizing; I am merely commenting and pointing out. We have come through a grievous war in which the individual has been subordinated to the state. That is necessary in war; but it is a concept wholly alien to the theory of free democratic government. Somewhere, somewhere, we will have to call a halt; somewhere, somewhere, we must return to the idea of individual initiative and personal enterprise. If we do not do it soon, and do it completely, we will drift inevitably into state socialism; into a system in which a paternalistic state does everything for the citizen. And, of course, the corollary of that is self-evident—the state feeds on itself, becomes increasingly powerful at the expense of the individual, and democracy becomes a hollow sham—a fondly remembered dream.

Mr. President, I am fully aware that there are crises in which only the power of the Federal Government is ample to cope with a problem. Such crises may occur in peace as well as in war. And I am fully aware that the present housing situation is a crisis that will tax the good will and ingenuity of our people. I do not, for one moment, argue against the premise that it is essential that our people in the lower income brackets should have decent housing. I do not contend against the idea that every effort should be made to eradicate slums, and replace them with decent, clean, sanitary dwellings. But, Mr. President, how far should we go with such a program; to what extent should the Federal Government continue in this field?

Let us look at the facts. What uniformly has been our experience in the creation of new agencies, departments, and establishments of Government? Without exception, they grow and grow, expand and expand, become greater and greater, continually showing the need for their continuance. Think for a moment of what we give life to when we create a new Federal agency actively to promote the building of public housing. It can expand only by promoting the building of more public housing. In a few short years through the buying power it will have, it can create the most

powerfully backed lobby for its expansion that we have had in all our history.

That is the negative aspect of the situation. What is the affirmative side? Only a few weeks ago this body passed, and a few days ago President Truman signed, the Full Employment Act. Have we forgotten already the purposes and intent of that legislation? Were we tilting at windmills in passing that legislation? Are men who voted for that bill now arguing, in effect, that it will not accomplish its purpose, that we will continue to have so large a class of low-income people that the Federal Government must dominate and subsidize housing? Are we now arguing that only through this form of Federal subsidy will people be able to have decent living quarters? If the Federal Government must subsidize the individual citizen, there must be a better way to help him own his home than through this dangerously direct method of the Federal Government sponsorship of public building, owning, and making available housing to the citizen.

I have referred to the full employment bill as one method of meeting this problem. Obviously we have not given that act an opportunity to work. It has not been on the statute books long enough. Nor do I want to confuse the issue by suggesting that it alone will cope with the present emergency. It must, however, be given serious consideration in any long-time planning on housing. And whatever anyone may say about the present emergency in housing, the plain fact is that unless we are extremely careful we will take measures in the emergency which will continue for years and years long after the emergency is past.

There is a second factor to be considered in connection with the present emergency housing situation. That is the provision for meeting the housing problem for the returning veteran—which is, after all, the basic and important question now. Long before the war was over, the Senator from South Carolina [Mr. MAYBANK] and I introduced legislation which would provide a means for veterans to buy and own their own homes. I worked closely with the American Legion, VFW, and other veterans' organizations in drafting the loan provisions of the GI bill of rights. Those provisions would have enabled veterans to borrow up to 100 percent of the purchase price of homes. Unfortunately, not all these provisions were finally adopted by the other Chamber, and the housing-loan section of the GI bill was not as advantageous as it might have been. However, in recent months, the bill has been amended and I am confident that the measure will work out very favorably in promoting the purchase of homes by veterans.

I believe the Senate should give serious consideration to the GI bill of rights provisions for home ownership before we rush pell-mell into enacting new Federal housing legislation. May I remind the Senate that under this legislation the Federal Government guarantees loans up to \$4,000 to veterans, and up to one-half of the cost of a home or a farm that may be built or purchased by a veteran. Moreover, a veteran may obtain a GI

home loan for a period running over 25 years, which, together with the relatively low rate of interest, permits the purchase or building of a \$5,000 home at a cost as low as \$27 per month. It has other provisions regarding business loans, but I advert only to the home-purchase provisions at this time. Moreover, the legislation sets up a plan that is relatively free of red tape and undue bureaucratic delays, and I now understand that the Veterans' Administration has nearly completed regulations which will satisfactorily implement the law.

I have cited the full-employment bill and the GI bill of rights to emphasize that action has been taken by the Federal Government to meet the emergency housing problem as it affects the veteran and low-income groups. I believe that these sound provisions of law should be given an opportunity to prove themselves before we rush headlong into the creation of another Federal agency. I am inclined to believe that there is far too much of a tendency for Congress to meet every problem by simply creating another Federal agency and then forgetting about the problem.

Actually, our major problem in housing today lies not so much in the absence of adequate legislation or machinery as in the absence of a sufficient quantity of building material. And this is a good place to remind ourselves that whatever material is diverted to the construction of Federal housing developments deprives the veteran of the material necessary to build his own little home. I am firmly of the opinion that we will do far more to implement the building industry and meet this housing crisis by serious consideration of methods to speed the flow of building materials for construction in this country. Moderately priced homes for veterans must come first and moderately priced homes for others second in priority in allocating building materials.

I do not want what I have said regarding this legislation to be interpreted as opposition to any program of slum eradication in this country. The elimination of slums in our metropolitan cities is a major and urgent Nation-wide problem. The existence of slums and the economic and social problems they create pose important questions. They are areas of economic waste in our cities; they add greatly to the cost of municipal functions, and they breed crime, disease, and moral conditions that are shocking in this day and age.

I agree that the Federal Government has a concern with this problem, but only to the extent that States, cities, and local municipalities require assistance in meeting these slum problems. I believe that this assistance can and must be given in such manner as does not involve the Federal Government in the ownership, management, or continuing control, direct or indirect, in the development of such reclaimed slum areas. The Federal Government's interest in this problem should end, in my opinion, with its financial assistance on a pro rata basis with States or cities in the purchase of the slum area land. We have a pattern, already well established and proven sound,

for this type of assistance in the Federal-aid program of road building.

To accomplish this purpose of Federal aid in slum clearance, and to meet the objections I have heretofore outlined with respect to the creation of a new Federal agency for housing, I am offering two amendments to the bill S. 1592.

My first amendment strikes out titles I and II of the bill, which provide for the permanent organization of the National Housing Agency and authorize the permanent agency to conduct on its own account and through State agencies extensive research.

In place of this new agency, this amendment would create a policy board consisting of the Secretary of the Treasury, as chairman, the Chairman of the Federal Home Loan Bank Board, the Federal Housing Administrator, the Administrator of the United States Housing Authority, the Administrator of Veterans' Affairs, and the Secretary of Commerce. This board would be authorized to coordinate the general policy of all agencies of the Government dealing with housing and housing financing. In addition, it would make such recommendations to the President and Congress in connection with housing matters as it deems desirable.

I have also provided in the first amendment that the policy board must give due consideration to the rehabilitation of veterans of World War II, and must, in adopting rules and regulations, provide preferences which will assist them in acquiring homes and materials for building homes.

The Department of Commerce would be authorized to continue and enlarge its functions in general housing research so as to meet the needs of the housing and housing-financing industries as well as the agencies of the Government dealing with housing.

My second amendment strikes out title VI of the bill dealing with slum clearance. It would substitute in lieu thereof a simple formula by which the Federal Government may assist States and cities in meeting housing problems. The formula provides for grants amounting to one-half of the difference between the purchase price of the land in slum areas plus the cost of its preparation for redevelopment and the use value of the land for the purpose of low-cost housing, parks, and other improvements. The plans would be prepared by the city or State, not by the Federal Government.

This amendment would eliminate the complicated machinery set up in the present title VI of S. 1592, and, in my opinion, would be far less costly in administration. Moreover, it would establish a formula which is very simple, under which the Federal Government has no continuing interest in these developments other than to assist in the purchase of the land in somewhat the same way as it assists in the building of public roads.

Mr. President, in offering these amendments it is my sincere purpose to aid our peacetime economic recovery. I have taken some pains to acquaint myself with the history of our economic development. I would like to remind my

colleagues of some facts. It was the construction of the railroad systems of this Nation in the latter part of the last century which resulted in one of the important events in our economic history. That construction ushered in an era of full employment and a high level of industrial activity. That development was carried on entirely by private enterprise, but the Federal Government aided in the program by grants of public land. I am contending for the same kind of tried and proven program in housing. Two decades ago the development of the automobile industry and the expansion of the public utilities again carried this Nation to a new high level of industrial activity.

I believe it no exaggeration to assert that today housing offers this Nation an opportunity for a third economic boom. The tremendous pent-up demand for housing in this country can be the same sort of economic prop to the American people and play the same role that the building of the railroads and the development of the automobile and public-utility industries did in their time. It can be that kind of economic prop, if undertaken in an appropriate economic environment and under a legislative program, which will encourage individual enterprise. I believe the amendments which I am offering will contribute to that desired goal.

The office and work of the National Housing Expediter, created by Executive order of January 26, 1946, shall in no way be affected by this amendment for the term of his appointment and the duration of said Executive order.

Mr. President, I ask unanimous consent that the amendments which I have offered be printed in the RECORD following my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments intended to be proposed by Mr. MCFARLAND to the bill (S. 1592) to establish a national housing policy and provide for its execution are as follows:

Strike out all of the provisions of Title I—National Housing Agency, and Title II—Research Market Analysis and Local Planning, beginning with line 14 on page 3 and ending with line 6 on page 19, and insert in lieu thereof the following:

"TITLE I—FEDERAL HOME LOAN AND HOUSING BOARD

"SECTION 101. There is hereby created a Federal Home Loan and Housing Board to be composed of the Secretary of the Treasury, or his designee, as Chairman, the Chairman of the Federal Home Loan Bank Board, the Administrator of the Federal Housing Administration, the Administrator of the United States Housing Authority, the Administrator of Veterans' Affairs or his designee, and the Secretary of Commerce or his designee. The members of said Board shall serve ex officio and without additional compensation.

"SEC. 202. The Board shall meet from time to time at the call of the Chairman and at least once a month. It shall have authority to employ a secretary and such other clerical assistance as may, in the judgment of the Board, be necessary for the proper performance of its duties. It shall consider and coordinate the general policies which are from time to time adopted and followed by agencies of the Government in reference to housing and real estate financing and the

conflicts arising therefrom, and the Board in establishing all policies shall give due consideration to the housing needs of World War II veterans and shall, where necessary, provide preference for such veterans in all rules and regulations which will assist them in the acquisition of homes or materials for building homes, and shall make such recommendations as it may determine desirable to the President and to Congress for such executive action and legislation as, in its judgment, may be appropriate. Said Board shall not interfere with the administrative duties or functions of said housing or real estate financing agencies. The administrative expenses of the Board shall be borne and paid in equal portions by the Federal Home Loan Bank Board, the Federal Housing Administration, and the United States Housing Authority, and they are respectively authorized to use their annual appropriations, to the extent necessary, for such purposes.

"Sec. 103. The Department of Commerce is authorized to continue and enlarge its functions of general research, market analysis and planning in the field of home ownership and housing to the extent provision is made therefor by appropriations by Congress. The other agencies of the Government concerned with home ownership, home financing, and housing may continue to provide such research and operating statistics as may be necessary in the performance of their functions as now provided by law."

Strike out all of Title VI—Land Assembly for Participation by Private Enterprise in Development or Redevelopment Programs, from line 1, page 58, to and including line 9, page 76, and insert in lieu thereof the following:

"TITLE VI—SLUM CLEARANCE"

"SECTION 601. In order to assist any State, county, parish, municipality, or other public body (hereinafter referred to as the applicant agency) to clear slum and blighted areas and to assist in protecting the public health, public morals, and the general welfare, the Reconstruction Finance Corporation is authorized to make grants and loans as provided in this act.

"Sec. 602. Any applicant agency is authorized to apply to the Reconstruction Finance Corporation for grants and loans for the clearance of slum or blighted areas and said corporation is authorized to make such grants and loans as herein provided. Such loans and grants are to be used by the State, county, parish, municipality, or other public body to acquire title to slum and blighted land by purchase or process of condemnation and to clear such acquired land for redevelopment insofar as possible for private tax-paying ownership according to the highest and best use of the land, whether for commercial or industrial uses, housing including apartments or single-family homes, parks, playgrounds, or appropriate public uses as determined by a redevelopment plan for the area provided for in section 604. The land, when cleared, shall be sold or transferred to an individual, partnership, cooperative, corporation or other legal entity or public body agreeing to develop the land to its highest and best use in accordance with the redevelopment plan. The land cleared for redevelopment shall be offered for sale free of tax or assessment liens or other encumbrances at a fair and reasonable price with due regard for the new use of the land. Sale of the land shall be handled in such a manner that the public interest will be amply protected.

"Sec. 603. An applicant agency shall include in its application a description of the area which has been determined to be a slum or blighted area by its governing body, together with a plan for the redevelopment of such area to its highest and best use whether

public or private uses in a manner consistent with any existing city plan or other plans for the use of land in such area and approved by the governing body of the applicant agency. Said redevelopment plan shall include a plan for roads and other public ways, public utilities, and a designated use under a zoning law or other land-use regulation for each tract of land in such redevelopment area. Such application shall include an estimate of the cost of the land to be acquired and estimate of all clearance costs and an estimate of the value of land as cleared under the use provided in the redevelopment plan. Said application and redevelopment plan shall provide for the conveyance of such lands with reasonable restrictions or conditions to assure the redevelopment of same as contemplated in such application and plans. The applicant agency shall show ability to pay in cash at a reasonable time one-half of the difference between the estimated acquisition and clearance cost and the estimated value of the land as cleared as provided in section 607. The Reconstruction Finance Corporation is authorized to make any investigations it deems to be appropriate to determine the wisdom of the proposed clearance of such slum or blighted area and reasonableness of the proposed use or usage of said estimates. The application, estimates, and redevelopment plan may be amended from time to time.

"Sec. 604. (a) The Reconstruction Finance Corporation is authorized to grant an applicant agency a sum not in excess of one-half of the difference between the estimated total acquisition and clearance cost and the estimated sale or new use value. Such grants shall be payable in a manner to assure that such funds are applied by the applicant to the purchase price and clearance cost of land in such slum-clearance area. In making such grants the Reconstruction Finance Corporation is authorized to restrict insofar as possible the use of Federal funds in reimbursing owners of property which is not in conformity with local health, safety, sanitary, and building laws.

"(b) The Reconstruction Finance Corporation is authorized to lend an applicant agency an amount equal to the estimated value of the land when cleared: *Provided*, That if the sale price of the land exceeds the amount of the loan, one-half of that amount in excess of the loan shall be returned to the Reconstruction Finance Corporation to reduce the original grant made to the applicant agency. Such loans shall be secured by the lands acquired or by contracts providing for the repayment of such loans from the proceeds of the sale or transfer of such lands.

"Sec. 605. No grants or loans as provided for in section 604 shall be made until the applicant agency has shown the Reconstruction Finance Corporation that it is legally authorized to provide cash equal to one-half of the difference between the estimated total acquisition and clearance cost and the estimated sale or new use value and until the applicant agency has committed itself in a manner considered sufficient for the Reconstruction Finance Corporation to rely upon it to provide such cash, and until the application and plans submitted by the applicant agency provide for the prompt clearance of such slum or blighted area and also provide for the prompt sale of the same upon an equitable basis, without discrimination and for the full new use value of such lands.

"Sec. 606. Families dispossessed by reason of the acquisition and clearance of land pursuant to this act who are not able to obtain other suitable housing accommodations within their income shall be given immediate accommodations in any low rent housing project receiving Federal subsidies under the United States Housing Act of 1937, as amended, or such dispossessed families shall be provided rental assistance for a reasonable period by the applicant agency as a condition for the receipt of grants and loans.

"Sec. 607. (a) In order to carry out the purposes of this act, the amount of debentures which the Reconstruction Finance Corporation is authorized to issue and have outstanding at any one time is hereby increased by \$1,000,000,000.

"(b) There is hereby authorized to be appropriated to the Reconstruction Finance Corporation the sum of \$1,000,000,000 at the rate of not more than \$200,000,000 in any fiscal year for the making of grants and loans to any State, county, parish, municipality, or other public body to accomplish the purpose of this act as herein provided."

SOCIAL PROTECTION PROGRAM

Mr. PEPPER. Mr. President, some days ago the able Senator from Georgia [Mr. GEORGE], the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], the distinguished Senator from Ohio [Mr. TAFT], and I introduced Senate bill 1779. I ask unanimous consent to have printed in the RECORD at this point as part of my remarks a statement which I have prepared in explanation of that bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Prostitution, venereal disease, promiscuity, and sex delinquency are evils affecting the lives of our people, and the health and well-being of our communities. During the last 5 years, as a war measure, the Federal Government took special action to combat these evils. Today we are faced with the problem of continuing and extending the gains made during the war period, or else of permitting a return to vice conditions that will be regretted by all decent men and women.

Since 1941 the Federal Security Agency has conducted its social protection program with a very substantial measure of success. This program has led the way in the organization of community controls and has made outstanding contributions in combatting prostitution and venereal disease. Examples of its effectiveness include:

1. Over 700 communities have closed houses of prostitution.
2. Over 200 local social protection boards have been established.
3. Widespread improvement of law enforcement in prevention of prostitution and juvenile delinquency have resulted from the Federal Security Agency's recommendations.
4. Considerable pioneer work in the redirection of sexually delinquent girls, stimulated and assisted by the Social Protection Division, has been accomplished.
5. America has the lowest wartime venereal-disease rate of any military force in any country. The importance of the social-protection program as a factor in this achievement is attested by the Surgeons General of the Army, Navy, and the United States Public Health Service.

As a result, vice has been greatly reduced in cities where it was uncontrolled before the war. The immediate future will decide whether the advances already made are to be extended or whether the results of the investment of time and money expended by Federal, State, and local governments and private organizations and individuals are to be lost.

Vice interests and operators of houses of prostitution recognize that the Federal social-protection program was set up on a war basis and, counting on an early cessation of Federal activity, as well as a general postwar let down, they are now making plans for renewing operations. In many communities they have retained titles or leases on the properties in which they formerly did business. Some cities have already experienced a rise in commercialized prostitution. In many communities the decision between a clean town and an open town hangs in the balance.

The vice interests will fight—they have a big financial stake. Because of the pressure of organized vice, State and local officials need the continued support and assistance of the Federal Government. The present situation is described in the following excerpts from a letter which Bascom Johnson, director of the division of legal and protective measures of the American Social Hygiene Association, recently wrote to the Federal Security Administrator:

"Since VE-day our field investigations show conditions which indicate an increasing relaxation of efforts by local communities. Our studies indicate also that the main reason for this relaxation of effort is that many of these communities have looked upon the repression of prostitution as an activity which the Federal Government had promoted as a war measure which it would surely abandon at war's end—an example which these local communities feel they would be justified in following.

"The association has recently made an analysis of 181 cities in or near which commercialized prostitution had been easily accessible sometime within the 2-year period prior to the war. During the war nearly all these cities improved these conditions substantially with the cooperation of the Federal Government. As of December 4, 1945, however, commercialized prostitution had again become easily accessible in 50 of these cities."

In the last few years the active support of repression has been secured from 92 percent of the police chiefs of America. Mayors and chiefs of police, however, state frankly that continued repression depends upon Federal assistance and upon active civilian support. In asking the social protection division to help him create and keep active a permanent local social protection board, the chief of the vice squad in Houston said: "The shy-sters, the pimps, the madams, prostitutes, promoters, shady real-estate owners, and the whole rotten gang, plus their so-called respectable front men, are the only ones we hear from. The decent public doesn't know we exist, and the pressure we get is from the underworld."

Another problem which causes great concern is the fact that the average age level of sex delinquents has been dropping and today many of those spreading venereal disease are of juvenile court age, rather than hardened prostitutes. The repression of commercialized prostitution over the past 5 years has further high lighted the problem of the promiscuous girl or "pick-up." Co-ordinated community activity becomes most important in dealing with these young girls. The battle against promiscuity and the redirection of young people before social patterns become hardened require special attention. A first step in the solution is, of course, the complete elimination of commercialized prostitution. Delinquency breeds in commercial prostitution areas. Families live next door to brothels. Children see a sordid life that may look glamorous and profitable. Children run errands for prostitutes and procurers. Houses are constantly recruiting young girls as inmates. There are examples of free "service" to high-school boys as a bait for future patronage.

These hazards must be eliminated. Other necessary steps for the prevention of promiscuity and the redirection of sex delinquents are: Proper court and detention facilities, a sound program of redirection by probation and social agencies, and the widest public education on the social responsibility of all citizens, young as well as adult. An enlightened community is a powerful weapon against the insidious evils of promiscuity and prostitution.

A year ago an increase in venereal disease was predicted. What were predictions then have now become facts. Reports from communities and from the Army show a definite

increase in venereal-disease cases over the past few months. Compared with the tremendous strides in medical treatment of venereal disease, the problem of reducing the source of infection is relatively untouched. Venereal disease is now recognized as a social problem with a medical aspect, and preventive social treatment is quite as necessary as curative medical treatment.

As representatives of an impartial Federal agency assisting the States, the staff of the Social Protection Division—with the approval of the State officials—works continuously with police chiefs and city officials in developing local social protection programs. They help to improve methods of law enforcement, protective policing, detention of both adults and juveniles and to encourage the use of policewomen. Successful procedures developed in one community are rapidly made known to other police departments. Through printed materials and meetings of field representatives with civic leaders and community groups, an understanding of the dangers and costs of prostitution and promiscuity is developed together with citizen support for strong law enforcement and other preventive measures. The Social Protection representatives have joined with the State and local authorities to bring about increasing understanding and cooperation among public law enforcement and health agencies, civic authorities, private welfare organizations, and citizens groups. Such united action provides the only way a city can be kept clean in this field of health and welfare.

The Social Protection Division, as a Federal agency working on a national problem, has had the cooperation of large national organizations, such as the National Association of Chiefs of Police, the National Probation Association, and the American Social Hygiene Association. Through the National Advisory Committee on Social Protection and Venereal Disease and the National Women's Advisory Committee, the Division has the cooperation of a representative group of leading citizens and national, professional, and membership organizations.

Mr. GEORGE, Mr. TAFT, Mr. LA FOLLETTE, and I have sponsored a bill which authorizes the Federal Security Agency to continue its program of assistance to the States on social-protection problems. It would be hard to imagine any decent citizen wanting to go back to the earlier vice conditions; many States and communities need help if that is to be prevented. The vice interests throughout the Nation will oppose this bill, but they will have difficulty in finding spokesmen and the arguments of those they do find will be completely foreign to the real reason for their opposition. People do not frankly advocate the rotten business of traffic in women.

I trust the Education and Labor Committee will give S. 1779 the most serious and favorable consideration and that this Congress will act on the bill in a manner I believe to be necessary to the national welfare and authorize the continuation and extension of the Federal social-protection program.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BAILEY, from the Committee on Commerce:

Admiral Russell R. Waesche, United States Coast Guard, to be placed on the retired list of the Coast Guard, with the rank of admiral, effective the 1st day of January 1946; and

Lorne G. Taylor of the Coast and Geodetic Survey to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 24th day of October 1945.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

CONSIDERATION OF NOMINATIONS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Executive Calendar may be considered as in executive session. It contains only routine promotions in the Marine Corps and the Army.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the clerk will proceed to state the nominations on the executive calendar.

THE MARINE CORPS

The legislative clerk read the nomination of Harry Schmidt to be lieutenant general in the Marine Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask unanimous consent that the Army nominations be confirmed en bloc, and that the President be immediately notified.

The PRESIDENT pro tempore. Without objection, the Army nominations are confirmed en bloc; and, without objection, the President will be immediately notified of all nominations confirmed this day.

RECESS TO FRIDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 5 o'clock and 27 minutes p. m.) the Senate took a recess until Friday, March 1, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 27 (legislative day of January 18), 1946:

ASSISTANT SECRETARY OF STATE

Maj. Gen. John H. Hildring, United States Army, to be an Assistant Secretary of State.

POSTMASTERS

The following-named persons to be postmasters:

FLORIDA

Lawrence H. Raker, Crawfordville, Fla., in place of H. J. Cooper, resigned.

IOWA

Richard W. Carlson, Yarmouth, Iowa. Office became Presidential July 1, 1945.

KANSAS

Alice M. Howe, Mount Hope, Kans., in place of W. R. Ives, transferred.

Alvin L. Sparks, Zurich, Kans. Office became Presidential July 1, 1944.

KENTUCKY

James T. Linville, Fourmile, Ky. Office became Presidential July 1, 1944.
H. Clay Darnall, Hardin, Ky., in place of D. B. Hughes, transferred.
Earl D. Enlow, Hodgenville, Ky., in place of D. E. Creal, resigned.

LOUISIANA

Pierre D. Lorio, Jr., Hahnville, La. Office became Presidential July 1, 1943.
Oscar B. Buck, Mansfield, La., in place of J. G. Hewitt, deceased.
Bernice L. Crespo, St. Rose, La., in place of D. C. Elfer, removed.

MARYLAND

Elmer G. Armstrong, Olney, Md., in place of R. P. Soper, retired.

MICHIGAN

Alma Hill, Covington, Mich. Office became Presidential July 1, 1945.
A. Spalding Friedrich, Traverse City, Mich., in place of Jerome Wilhelm, removed.

MISSISSIPPI

Alex Polk, Oak Vale, Miss., in place of Katie Boyd, deceased.

MISSOURI

Edward J. Murphy, Jr., Strafford, Mo., in place of A. B. Grier, resigned.

NORTH DAKOTA

Agnes Dettman, Judson, N. Dak. Office became Presidential July 1, 1945.

OHIO

Lauris D. Glass, Alpha, Ohio. Office became Presidential July 1, 1945.

OKLAHOMA

Robert G. Blackwell, Calvin, Okla., in place of O. E. Bailey, resigned.

OREGON

Ada M. McFall, Camas Valley, Oreg., in place of R. L. Richter, resigned.
Oliver C. Gardner, Nelscott, Oreg., in place of C. P. Nelson, retired.

SOUTH DAKOTA

Floyd O. Clark, Bison, S. Dak., in place of J. T. Homme, resigned.

TENNESSEE

Pearl I. McCamish, Calhoun, Tenn., in place of J. A. Henry, transferred.
Edward B. Simmons, Westmoreland, Tenn., in place of R. D. Shoulders, transferred.

TEXAS

Herbert R. Burton, Price, Tex. Office became Presidential July 1, 1942.

UTAH

Harold M. Creer, Spanish Fork, Utah., in place of R. W. Creer, deceased.

VIRGINIA

Samuel Washington West, Lynchburg, Va., in place of J. H. Cave, deceased.

WEST VIRGINIA

Jennings C. Minnix, Haywood, W. Va., in place of I. N. Martin, resigned.
Thelma B. Rogers, Yukon, W. Va., in place of M. R. Cook, resigned.

WISCONSIN

Melvin B. Arnes, Barronett, Wis. Office became Presidential July 1, 1945.
Hollis E. Hoskins, Grandmarsh, Wis. Office became Presidential July 1, 1944.
Earl Roberts, Ogema, Wis., in place of G. V. Anderson, transferred.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 27 (legislative day of January 18), 1946:

IN THE MARINE CORPS

Harry Schmidt to be a lieutenant general in the Marine Corps, for temporary service, from March 1, 1946.

IN THE ARMY

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

To Adjutant General's Department

Lt. Col. Eustace Maduro Peixotto
Maj. Elvin Hamilton Burger
Maj. George Henry McManus, Jr.

To Quartermaster Corps

First Lt. Joseph Stephen Kujawski

To Finance Department

Capt. George Lowe Eatman

To Corps of Engineers

First Lt. Arthur Harold Lahlum

To Ordnance Department

First Lt. Robert Sears Blodgett

To Signal Corps

Maj. Lee Roy Williams
Capt. Ewing Chase Johnson

To Field Artillery

Second Lt. Hanford Nichols Lockwood, 3d

To Infantry

First Lt. Herbert Mead Bowlby, Jr.

To Air Corps

Maj. Oscar Carl Maier

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be majors, Air Corps

Wilbur Erickson
Lilburn Dimmitt Fator
Archibald Meyer Kelley
Ralph Orville Brownfield
Joel Edward Mallory
Warren Herbert Higgins, subject to examination required by law.
Willard Reno Shepard, subject to examination required by law.
George Washington Hansen
Minton William Kaye
Aubrey Lee Moore
Ronald Roosevelt Walker
Lloyd Harrison Tull
Frederic Ernst Glantzberg, subject to examination required by law.
Eugene Herbert Rice, subject to examination required by law.
Leland Samuel Stranathan
Ernest Keeling Warburton, subject to examination required by law.
LeRoy Hudson
Roland Ogden Strand Akre
Paul Ellis Shanahan
Roger Vincent Williams
Frederick Archibald Pillet
Reginald Heber, subject to examination required by law.
Homer LeRoy Sanders
Draper Frew Henry
Walter Robertson Agee
Hansford Wesley Pennington
Guy Frost Hix
Murray Clarke Woodbury
Paul Bernard Wurtsmith, subject to examination required by law.
William Alexander Robert Robertson

MEDICAL CORPS

To be colonel

James Rhea McDowell

To be lieutenant colonel

James Ogilvie Gillespie, subject to examination required by law.

To be majors

Fred William Seymour
Lester Orville Crago
Joseph Arthur Baird
Allan Arthur Craig, subject to examination required by law.

DENTAL CORPS

To be major

John Castle Hampson

CHAPLAIN

Paul Bertram Rupp to be chaplain, with rank of colonel, United States Army.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 27, 1946

The House met at 12 o'clock noon.
The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who art the perfect revelation of the Father's glory, with praise and adoration we call upon Thy holy name. Breathe upon our thoughts and let Thy will be our fullest and deepest joy. Be pleased to overlook our imperfections and to accept the sincerity of our devotion, confident that our great Shepherd cannot lead us wrong. When our faith falters and we drift, when our vigilance ceases and we stumble, be Thou our guide and our refuge.

In our service to our fellow men, may we so abide in Thy love that nothing worth keeping will be swept away. Frown upon any group of our citizens that would clog the open road of unity and stifle the highway of comfort and prosperity, refusing to be restrained by the crying needs of the people. Help us to bring light where there is darkness, and understanding where there is prejudice. O keep us from that spiritual paralysis in which the soul no longer climbs toward God. O Christ, be in us the inspiration of duty, the influence and power that restrains temptation and fortifies courage. In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3370. An act to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. ELLENDER, Mr. BANKHEAD, Mr. CAPPER, and Mr. AIKEN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1821. An act to amend section 502 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, so as to authorize the appropriation of funds necessary to provide additional temporary housing units for distressed families of servicemen and for veterans and their families; and
S. Con. Res. 56. Concurrent resolution increasing the limit of expenditures for the investigation of the Pearl Harbor attack.

The message also announced that the Senate had adopted the following resolution (S. Res. 233):

Resolved, That the Senate has heard with profound sorrow the announcement of the